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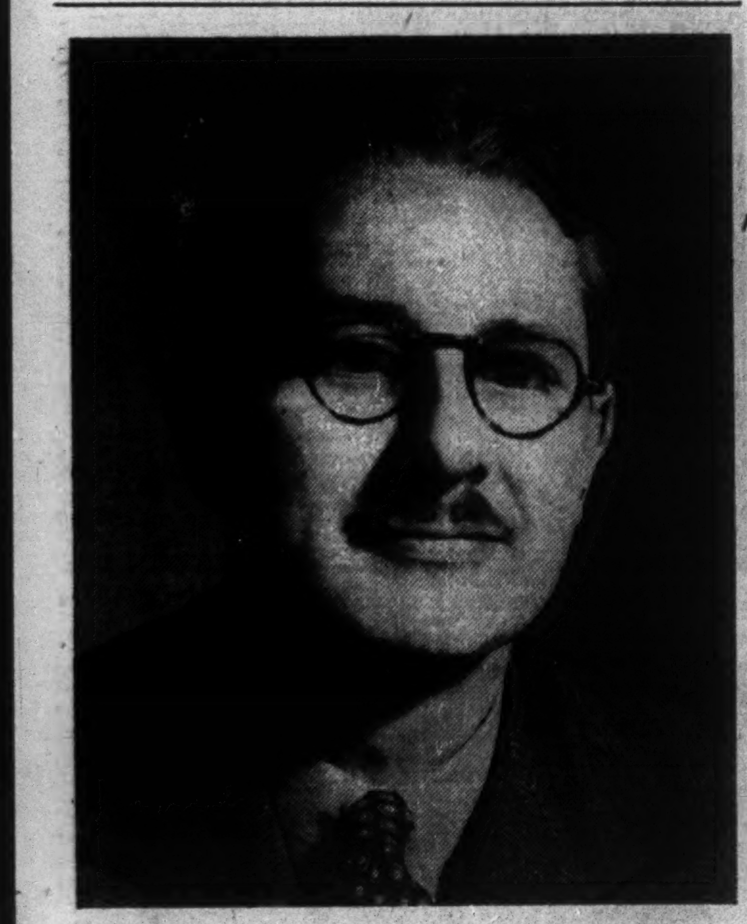
"Figure Wizard"



Walter Lockhart Gordon, new president of the Toronto Board of Trade, has been called a "figure wizard," and with reason. At Ottawa, early in the war, young Gordon (he was still in his 30's) had a big part in setting up the Foreign Exchange Control Board, served as specal assistant to the Ministry of Finance. Back in Toronto, he is senior partner in Clarkson, Gordon & Co., internationally known accounting firm, and managing director of J. D. Woods & Gordon Ltd., industrial engineers.

THE NATION'S BUSINESS

More Than Tax Issue Calls for Discussion

Listening this week to Finance Minister Abbott's sales talk on Ottawa's revised tax-renting proposals, Toronto Board of Trade members sensed a more flexible frame of mind than had been previously apparent on the federal side.

Next day, Prime Minister King again slammed the door on requests from dissenting provincial premiers for a reconvening of the general Dominion-Provincial conference.

Apart from the merits or demerits of the Ottawa taxation proposals (what they mean to the taxpayers is outlined elsewhere in this issue) there is room for some concern over Mr. King's flat refusal to proceed on any other basis than the piecemeal bargaining system.

The population of the four provinces which are not convinced of its soundness (Ontario, Quebec, Nova Scotia and, to date, Alberta) represents 73% of the Canadian total. Their governments may not have unanimous popular support, but their administrations' views are shared by a substantial proportion of the people of those provinces.

Right or wrong according to Ottawa's idea, these views do warrant discussion.

The matters at issue are not confined to taxation; to a five-year cushion. Fundamentally involved is, in a way, the drafting of a new constitution which will support and reconstruct substandard areas, maintain adequate standards of social security, but leave all areas with sufficient local tax powers to pay for constructive development work.

In short, it's a matter of deciding what jobs have to be done and which authority is best equipped to do them.

It's a matter of nation-building. How can that best be done? By general accord, or by a system under which divided provinces may become merely pensioners of a central government?

So far as the actual tax proposals go, for the first time Canadians generally have a reasonably clear understanding of the limit to which Ottawa is prepared to go. A general conference would have had that much start.

Two failures may be discouraging, but a third try might have succeeded. There might have been more compromise all round.

In world affairs, had the United Nations Organization folded up because of more than two initial flops, mankind would not have had as much hope as it has today.

Many Canadians will consider unfortunate the contrast between Mr. Abbott's conciliatory tone and Mr. King's inflexibility.

* * *

It's the Cargoes That Count

Speaking at Vancouver last week, Hon. Lionel Chevrier, Minister of Transport, stressed the fact that the elimination of Japan and Germany as export producers gives Canada a golden opportunity to develop overseas trade. With that assertion most Canadians will agree.

But with Mr. Chevrier's claim that the mainstay of international commerce is shipping there will be a sharp difference of opinion. It is the cargoes not the ships that are vital. After the first Great War and during the big depression of the '30's there were plenty of ships, but most of these lay idle because prohibitive tariffs and other even more effective barriers prevented trade.

If in coming world conferences, Canada and other trade-minded countries can succeed in getting these crazy barriers modified and in making the average man realize that if he wants to export he must also import, then the ships will be kept working. If they don't, it is going to be bad for both the seaports and the country behind them.

* * *

Capital Earned Less Than Labor

In his national radio speech last week, CCF Leader Coldwell used the familiar tactics of his party in quoting partial figures and comparing non-comparable items, in order to build up a totally false impression. He said:

"During the past year, average weekly earnings of industrial workers rose from $32.16 to $33.23—a rise of less than 4%. Over the same period, the profits, after taxes, of 28 of Canada's largest corporations, rose from $33 millions to $52 millions, a rise of 56%."

The profits part of that statement is correct. It was published in a special report in The Financial Post last December. Not mentioned by Mr. Coldwell, but included in The Post report, however, was the disclosure that almost all of these profits were plowed back into the industry, to be used as working capital for expansion of industry and the provision of more jobs.

If Mr. Coldwell wished to be correct and fair he should have compared actual dividends paid, the take home pay of capital, with the wages received by labor. Had he done so he would have found that the dividends paid out by the 28 companies mentioned increased by only $376,000 in the period covered or a gain of 2.6%. This is considerably less than the 4% gain in wages he mentioned and fantastically below the gain he implied for capital.

Mr. Coldwell and other spokesmen for the socialistic theories he advocates pretend to have a holy horror of profits. But they know and their followers should know that without profits there could be no industry and no jobs.

Business Properties Just Not Available

Good Time to Buy Offices or Stores, But Where? – Believe Price Peak Passed, Though Demand Continues Unabated

By CLIVE CHATTOE

Now is a good time to buy offices and stores. But try and get one.

Trading in commercial real estate—after two years' unexampled turnover—is stalling across Canada for lack of available properties.

This is despite the fact that nearly three times as much commercial construction was undertaken in 1946 as in 1945—$93 millions against $35 millions, including offices, stores, warehouses and hotels.

Demand for most types and ages of building at preferred business locations probably will continue at an all-time high through most of 1947.

But prices appear to have reached somewhere near peak for the immediate postwar period, though no sharp decline is expected this year.

That, briefly, represents collective opinion of a half-dozen top-rank real estate brokers and investment officials between Halifax and Vancouver, interviewed this week by The Financial Post.

Here's what the "smart money" is doing:

Trading flurry in office properties has subsided a little after a hectic market last year and in 1945. Construction last year valued at $18.8 millions against $5.5 millions year before. (MacLean Building Reports statistics).

There has been a considerable volume of buying by large corporations to centralize scattered sub-offices, this trend most noticeable in Montreal.

Prices have been climbing month by month through 1945 and 1946 and the rise shows signs of abating, though there is little expectation of any marked decline before late 1947 at the earliest, if then.

Relatively few multi-story buildings have changed hands; exceptions: Guardian Trust's Keefer building in Montreal; Northern Ontario building in Toronto, reportedly sold to Beaver-

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Mfrs. Pass On Rise In Metal

Canadian metal fabricators who use copper, lead or zinc and ucts were forced to quote future prices this week as subject to Ottawa's official announcement on price increases. But just the same they had neatly docketed price lists all ready with considerable assurance of permanence.

Roughly, prices of fabricated metals and end products will go up proportionately to the increased costs of base metals used wherever the metals represent a substantial part of the complete manufacturing cost. Copper wire, for distribution of electricity, for instance, will likely be awarded a substantial price hoist because the cost of copper used represents in some cases about 50% of the entire manufactured cost. On the other hand, manufacturers of most household electrical fixtures and appliances are not asking for WPTB increases, because their metal cost is small in relationship to such other items as labor, other materials manufacturers say.

Anaconda American Brass, one of Canada's largest fabricators of copper, brass, bronze, etc. in the form of sheets, rods, tubes, extruded shapes, and heavy wire, announces that effective Feb. 1, prices on products will be advanced to match the increase in raw materials. Records show, a company official states, that over a period of years the metals account for 52c. to 58c. of the sales dollar.

Ask Increased Beet Subsidy

MONTREAL (Staff) — Representatives of the Canadian Beet Growers Association were knocking on Ottawa doors this week in an attempt to get an increase in subsidy for the 1947 crop.

Earlier in the week they had failed to persuade WPTB Sugar Administrator S. R. Noble in Montreal, that they should get the subsidy boost asked for. They wanted a subsidy of $1.68¾ per hundred pounds of refined sugar—an increase of $1.08 over 1946. They were offered an increase of 64¼ cents or a total subsidy of $1.25 per hundred pounds.

Reliable sources state that while cost of beet sugar production has increased, the price paid to farmers for sugar beets has increased more than any single standard agricultural product in Canada since the beginning of the war.

Sugar growers said here, they were aiming for production of nearly 300 million pounds of domestic sugar in 1947. An increased subsidy, they say, is necessary to offset increased production costs. It is considered likely that WPTB officials in Ottawa will uphold the decision of the sugar administrator.

CCF Pension Plan Would Cost Nation Over $600 Millions

OTTAWA (Staff)—First question Hon. Douglas Abbott may be expected to ask M. J. Coldwell when they meet in the Commons this week is: "Where do we get the $600 millions to pay a $50 per month old age pension to everyone in Canada over 65?"

Last week the CCF National Council after a three-day deliberation announced a new nationwide campaign to get $50 a month for everyone over 65 without means test and paid in full by the federal government. In addition, the pension would carry a cost-of-living bonus and "invalidity" supplement and free medical, optical and hospital care.

Just what the medical, dental, optical and hospital care would cost is a debatable figure. Probable cost would be at least $30 millions annually.

Cost of the pension itself is a pretty easy calculation.

By 1948, officials estimate, there will be in Canada some 933,000 persons aged 65 or over. Multiply this total by $600 a year and the estimated cost is $559,800,000.

Thus even apart from cost of living provisions, the CCF proposal would look like costing a federal government $600 millions in 1948—or about $560 millions more than the present outlay at Ottawa.

Moving ahead a little with the years, it is estimated that by 1961 there will be 1,287,000 Canadians aged 65 or over. The cost would then be $772 millions.

And in 1971 if the experts are correct, Canada's "old folks" would number 1,533,000 and cost the taxpayers $919,800,000 for pensions alone on the CCF formula.

M.P.'s Gunning For Tax Cuts But Govt. Not so Optimistic

OTTAWA (Staff)—It now appears the Federal Government will report a surplus of $200 to $250 millions in the 1946-47 fiscal year. This compares with an estimated deficit of $430 millions for the same period.

The surplus would be exclusive of some $700 or $750 millions of loans and advances made largely to Britain and foreign governments and which are listed as separate "cash disbursements."

Despite this "buoyancy" in federal accounts, the Government's fiscal advisers are not optimistic about tax cuts in the next budget. They point to four factors which militate against them:

1. Large refunds which must be made shortly to provincial governments in order to liquidate expiring wartime tax agreements.

2. Heavy continuing loans for foreign trade for 1947-48 and the need for "cushioning" the economy against expected subsequent declines in income and earnings as trade and industry become adjusted to a more normal flow of business.

3. The need for keeping a continued tight rein on corporate earnings so long as present artificially high business activity persists—activity in large measure underwritten by government loans.

4. There are a number of nonrecurring items of revenue in the present year's accounts.

What view Parliament will take of the situation when it gets to work next week is pretty much a foregone conclusion. The backbenchers who have arrived here in past days are all highly sensitive on the matter of high and continuing tax levies. They don't like them and they are determined to find out if some reductions aren't in order—and if not, why.

See Drive for Control Of St. Lawrence Corp.

Duplessis Warns Against "Speculation" as Trading Soars; Rumor U.S. Group Aims at Reorganization of the Company

MONTREAL (Staff)—Members of the newsprint industry and Premier Maurice Duplessis expressed concern this week over the unusual trading activity in St. Lawrence Corp. common stock. Despite generally lethargic stock market conditions, St. Lawrence Corp. common has moved up to over $11 a share (its highest price since 1937) on heavy volume.

Activity in St. Lawrence Corp. common has been so pronounced that the attention of Premier Duplessis has already been drawn to it. In a statement to The Financial Post Premier Duplessis said: "From reliable sources of information, I learn that brokers desire or intend to renew the speculation which took place in connection with Canada Power & Paper and this with respect to St. Lawrence properties. I have every confidence that the present directors will energetically refuse to be a party to this speculation and I hope they will do everything in their power to prevent and stop it. Needless to say, the Government will never be a party to such financial tactics."

Just why this stock should be so active at rising prices is one of the most discussed topics in financial circles. Even the most optimistic pulp and paper observer concedes that this stock, with $14.1 millions of accumulated dividend arrears ranking senior to it, will not be in a position to pay dividends for another three or four years at the earliest, unless something is done to extinguish the $68.75 of arrears on each share of St. Lawrence Paper Mills preferred and the $20.25 of arrears on St. Lawrence Corp. class "A" stock.

U. S. Buying Seen

Buying of this stock is said to be of U. S. origin and the names of Van Alstyne, Noel & Co., a large New York investment house and E. P. Taylor, prominent Canadian industrialist are mentioned.

Purpose of the acquisition of St. Lawrence Corp. common, and class "A" stock by this group, with whom the name of Arthur White, recently resigned as board chairman and a director of St. Lawrence Corp. is said to be associated, is to enable a new set of directors to carry out a financial reorganization of the whole St. Lawrence paper group and thus clear the way for dividends on St. Lawrence Corp.'s two classes of stock, it is held.

Questioned by The Post, Mr.

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Reinstatement Is Still Holding Up Stelco Pact

While Judge Ian Macdonell's report on the reinstatement issue brought the Steel Co. of Canada and the United Steelworkers union closer together, they still weren't close enough this week to sign a collective bargaining agreement.

At midweek they were still deadlocked over discrimination although agreement had been reached on all issues including union security, statutory holidays and vacations with pay.

In an effort to break the deadlock, the union passed the ball to F. H. Kilbourne, steel controller, who in turn passed it to Labor Minister Mitchell.

The company had agreed to take back eight of the 14 strikers who Judge Macdonell thought should be re-employed; was undecided about two others. That left four who got a favorable nod from the judge but who hadn't been taken back.

Moral Obligation Seen

The union wanted the labor department to order the company to rehire these four although a condition of Judge Macdonell's appointment was that his report would not be binding on either party. The union argued that by agreeing to submit the issue to a third party, both sides placed themselves under a moral obligation to abide by his report.

The company's position was that the offences of these four and the five Judge Macdonell thought the company should not be asked to reinstate, were so serious that it was imperative that they not be rehired.

The union was equally firm. A top official indicated the union would be ready to sign only when

(Continued on page 2, col. 1)

Sensational Hole For Sherritt G. At Lynn Lake

What appears to be the best drill hole yet has been secured by Sherritt Gordon Mines in drilling a new L deposit located 2¼ miles south of A ore body at Lynn Lake, The Financial Post is informed officially.

Hole 160, the discovery hole, entered the ore at 37 ft. and to Monday noon was still in ore at 355 ft. The first 125 ft. assayed 3.99% nickel and 1.44% copper. Final results are not expected until early next week as communication facilities are interrupted due to storms.

World Trade Future in U.S. Melting Pot

Fight to Salvage Reciprocal Tariffs May Affect Canada, U. K.

By RONALD A. McEACHERN
Editor, The Financial Post

WASHINGTON (Staff) — Momentous decisions that will have a vital effect on Canada's prosperity and on the future of the enterprise system are in the making here.

What is the U. S. trade and tariff policy going to be?

The Administration, (Truman, Clayton and officialdom generally) is feverishly fighting to preserve and extend the Cordell Hull trade policy of reciprocal trade agreements.

Congress has many noisy elements demanding that the United States pull back into its economic shell and let the rest of the world go to the devil in its own way.

In five separate committee rooms, businessmen are these days pouring out their tales of woe and apprehended woe, trying to prove their need for higher tariffs or for the maintenance of present tariffs. The beneficiaries of world trade are relatively silent.

Middlewest Republicans dominating both Houses, sound off on tunes that are right out of the Smoot-Hawley book. And big-time, traditionally successful lobbyists are busily feeding the fires of economic nationalism.

Seek to Sell Republicans

But talks with key political and Administration figures here this week make the following a currently valid summary of the outlook as it is at present:

1.—The Administration is so convinced of the rightness of the cause of reciprocal trade that it will fight the battle with holy fire and will go a very considerable way in trying to find a formula that will make the policy digestible to Republicans.

2.—Despite loud noises from a group of high-tariff and isolationist Congressmen, the main body of Republicans has come a long way in its thinking. As a party which has overwhelmingly voted against the Hull policy for 13 years (with the exception of a 1943 vote when it agreed to let the matter ride out wartime) Republicans are anxious to save face by avoiding the appearance of reversal on this policy. Obviously, too, as a result of their long travail in the wilderness of opposition, Republican breasts are filled with zeal to overturn things for the sake of overturning things. The best informed consensus available therefore is that the key Republican problem is to find a formula which will make its trade and tariff policy look new but which will, in substance, be very like the old.

Senators Taft and Vandenberg are the two key figures in this whole struggle which is currently Washington's biggest issue—and the world's.

Taft has publicly stated he favors doing nothing about the trade pact policy until expiry of the legislation in June, 1948. Vandenberg, in a recent Cleveland speech, took great pains to show that in his own thinking at least he had come a long way from the views of his youth and that he was aware the world and its problems has done a lot of changing since the days of McKinley. This writer can say that Vandenberg intended his Cleveland speech to be taken seriously, as a studied presentation of how his mind is now working.

Taft's past record shows that many times he has talked like an isolationist and an economic nationalist. His current pronouncements on some issues make him sound like an ultra conservative. He made it clear to this writer that he would subscribe to the view expressed to me by a key congressional figure this way:

"You can be sure we'll never go back to the old political system of tariff making with schedules bumped up and down as the result of Congress manoeuvres. Tariffs have to be handled properly by administrators, not politicians. But we have some serious industrial situations to consider. The British textile industry has been very inefficient and out of date. But if we are going to give away our modern textile machinery, modernize the British industry and show them how to make good stuff, while they continue to pay half our wages, then I think we'll have to look pretty carefully at the effect on our own textile industry."

Would Salvage Policy

Vandenberg is generally credited by officialdom here with being the strongest Republican hope for retaining the substance of the trade agreement policy. He is expected soon to try to negotiate with the state department a new administrative system, which will probably give U. S. industry a better break on tariff hearings and which is designed primarily to avert industry's fear of tariff hearings and of precipitate and drastic tariff changes.

Under present procedure, an industry gets in the mail a notice that tariff on its product is up for consideration. The industry is invited to appear. The natural reaction is terror that the tariff change will be big enough to shake it seriously. So the case against any change becomes a life-and-death struggle, in which sober thought and analysis gets beaten to a pulp. Vandenberg apparently thinks that procedure can be altered to give industry greater assurance that it won't be sold down the river, and that

(Continued on page 2, col. 3)

See '46-47 Surplus Over $200 Millions

Federal Revenues Nearly $650 Millions Higher Than Estimated – EPT Yield Likely at New Peak, Despite Rate Cut

By KENNETH R. WILSON

OTTAWA (Staff) — The unexpected buoyancy of corporation profits in Canada in 1946 now emerges as one important reason for sustained federal income in the present fiscal year.

When Rt. Hon. J. L. Ilsley made his budget speech last June 27, he estimated that revenue from E.P.T. would be about $335 millions. Yet already, in the first nine months of the fiscal year, this one source of tax revenue has yielded $346 millions. Even allowing for some falling off in the next three months, it now appears that this tax alone will yield between $425 and $450 millions or close to 30% more than was anticipated

Even in the lush tax year of 1945-46 when the government was levying an 80% E.P.T., the return was only $495 millions. Of this, $67.5 millions was refundable, leaving a net to the treasury of $427 millions.

E.P.T. May Be Record

It is therefore probable that net receipts from E.P.T. in 1946-47 may be as high as in any year on record—despite the lower rate. (During most of 1946-47, E.P.T. has been on a 60% basis with no refundable portion. Effective Jan. 1, 1947, the whole basis has been changed and E.P.T. is now chargeable only on corporation returns at a 15% rate above the flat 30% corporation tax).

Study of 1946-47 receipts for the first nine months of the year, shows improved income in other directions.

1. Customs duties may run $50 millions better than the budget estimate of $183 millions. Up to Dec. 31, receipts from this source are listed as $164 millions as compared with only $84 millions in the same period a year ago.

2. Personal income tax receipts are very much above what was anticipated. Estimated 12 months revenue was $615 millions. Yet in the first nine months, $531 millions has been collected. Reasons given are higher level of wages and sustained employment in civilian "reconversion." There is very little evidence that the 16% cut in personal income taxes which became effective "across the board" on Jan. 1, has made anything like the expected dint in federal receipts.

3. Private companies are now expected to yield nearly $40 millions to 1946-47 returns. This is an unexpectedly large and nonrecurring receipt arising out of special legislation to permit the freeing of pre-war surplus funds. Up till Dec., 1946, these could be turned over for tax purposes to a private company without an interest factor. As a result, December treasury returns show an unexpected jump of $36 millions compared with Dec., 1946.

Revenue Up—Costs Down

Over-all, it now appears that total federal receipts for 1946-47

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Inside News

Trade Honeymoon Over
Canada's $2 billions trade credit "honeymoon" with France is nearly ended, and authorities face the problem of restoring normal private trade relations. Lack of dollar purchasing power in France, and prohibitive taxes and other levies on luxuries imported from that country are barriers to be overcome (p. 13).

Are Premiums Fair?
Is the offering of premiums with regular merchandise a fair trade practice, and justifiably deductible from income tax. A majority of businessmen and others questioned by The Financial Post do not favor revival of this pre-war system; some considering it unethical, others a bad form of price-cutting (p. 9).

Socialization No Panacea
Nationalization of Britain's mines has failed to stimulate lagging coal production. Miners are said to fear a return of unemployment, if production rises. Also they complain that standard food rations are inadequate for their work. Shakespeare's popularity is soaring again in London, while that of elaborate U. S. films is waning. London Calling, by Adelphi (p. 16).

Know Your Insurance
Every policy-holder should study the terms of his insurance contracts, particularly in the case of fire insurance. Changes in your residential or business premises, might invalidate the contract. An insurance policy guarantees to reimburse the holder for loss sustained; but it is not expected to yield him a profit. How to Keep Out of Trouble (p. 13).

"Export or Starve?"
Can Britain's Labor Government build the United Kingdom's export trade to 150% of the pre-war level, as it says must do if the country is to survive? London's authoritative financial paper The Economist weighs the possibilities, reviews Britain's trade position (p. 19).

Job Chances Brighter
A jobless Canadian's chance of getting employment is nearly twice as good as a year ago, Labor Dept. statistics indicate. Deputy Labor Minister Arthur McNamara lauds employers for wholehearted cooperation in reinstating war veterans in civilian jobs. Labor Roundup (p. 18).

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Canadair Price $10 Millions

Electric Boat Co. Given 15-year Lease Option on Plant and Tools

OTTAWA (Staff) — Official transfer of the Canadair property at Montreal to Electric Boat Co. of New York has now been completed (The Financial Post, Jan. 25). In the transaction the Government receives a sum estimated at close to $10 millions for its "next asset" investment in that plant. This money is understood to be payable in cash and to be settled up entirely not later than the end of 1948.

In addition the Government has given Electric Boat a 15-year lease option on the plant and tools at a price which varies depending on when the option is taken up. The price is said to be in the neighborhood of $3.5 to $4 millions. Until the option is exercised the company has a firm lease on the plant at a fixed rental.

Apart entirely from the transaction with the Government, Electric Boat is said to be putting up some $2 millions, of which $1 million represents new fixed capital in the taking over of Canadair Ltd.

The new Canadair ten-man board is to be headed by John J. Hopkins as chairman and will include five Canadian directors, one of which will be Ben W. Franklin, former president and general manager. New president and general manager is H. Oliver West, former vice-president of the Boeing Company of Seattle and at one time associated with TCA in its early and formative stages.

Some 6,000 men and women are presently employed at the plant and production of North Star planes is currently reported as scheduled for three aircraft a month.

South to the Sun

When a man takes "time out" he's entitled to real relaxation . . . in the kind of clothing that lets him lounge easily, walk vigorously, play with freedom. That's why you'll be wise to join the ranks of the many men who come to EATON'S for their Winter sports clothing. For here you'll find clothes designed for active wear . . . handsome Nylon swim shorts for carefree hours on the beach . . . snappy swim and play shorts, right for wear on the tennis and badminton court. Enjoy the utmost in comfort and style during your Southern holiday, with sport clothes bought at

EATON'S

Stelco Pact Still Delayed

(Continued from page 1)

the company goes as far as Judge Macdonell's report. That means it won't insist on reinstatement of four convicted men, or a fifth if his appeal is lost.

Union security, once the biggest stumbling block to agreement, will take the form of the irrevocable checkoff, providing 51% of the members of the bargaining agency sign a company authorization requesting it.

The contract will provide for time-and-a-half for six statutory holidays if worked; nothing if not worked. The vacation clause gives one week after one year's employment; two weeks after five years and three weeks after 25 years.

The union pledges there will be no strikes or stoppages for the duration of the contract which runs to April, 1948, but there is no provision in this section for penalties for violations.

Settlement at Hamilton will virtually assure peace in the basic steel industry for the next 12 months. The other two members of the "Big Three" and the United Steelworkers of America have already made their peace.

At Sydney, Dominion Steel and Coal Corp. and the negotiation committee of Local 1064, have agreed on conditions of a new contract which union members ratified last week. It would bar strikes and lockout during its existence (12 months) and provides penalties for illegal tie-ups.

Basic wage rate is 77½c. an hour compared with 43½c. ratified in 1940. Increase includes the 13c. raise which ended the 81-day walkout and the 1½-5c. differential which formerly existed between Nava Scotia and Upper Canada rates.

Do You Sell?

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World Trade Future Is in U.S. Melting Pot

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this can be done in a way that won't damage the trade agreement principle.

That's what's going on behind the scenes. On stage, Congress is being peppered with moves designed to block more trade talks and deals, to stall the whole matter, to take away from the President, powers to make trade deals. Leaders of this band of economic nationalists are Senator Butler of Nebraska and, in the House, Knutson of Minnesota, Gearhart, California, Jenkins, Ohio and Reed, New York.

Important to Canada

For Canada, whose prosperity is linked directly with our success in selling abroad, in the recreation of multilateral trading generally and especially our three-way trade with the United States and the United Kingdom, the outcome of these American manoeuvrings is of crucial importance. Similarly, officials here admit that the success of their whole trade program with the many nations depends on their success in achieving wise trade deals with Canada and Britain.

America, with more than half the world's industrial capacity, gold and shipping, has in her hands control of the world's economic future. By the end of this year, U.S. production capacity will be just double that of 1938. Only by selling much more abroad, can the United States hope to avoid disastrous unemployment. Only by reducing tariffs will other nations be able to earn the dollars needed to buy America's exports.

Deny Industry Hurt

The State Department takes the view that no American industry has satisfactorily demonstrated that it has been ruined or hurt by reciprocal tariff reductions. It argues that the high level of business resulting from freer international trade creates greater purchasing power at home, hence in fact broadens rather than restricts, the market for the American industrialist.

Extension and further liberalization make as much political as economic sense in the Administration's second argument. With the rest of the world wallowing in chaos, with totalitarianism in sundry forms spreading over vast areas, the only way to stem that tide, to prevent America becoming the lonely isle of free enterprise, is to make it possible and profitable for the rest of the world to trade with America according to free enterprise rules.

Because of America's economic power, the Administration is convinced that America's trade policy can have a profound and perhaps decisive effect on tomorrow's political climate in Europe and Asia. It is evident there is increasing awareness of this basic issue throughout political Washington.

Feb. Dividends $43.8 Millions

Total February dividends as declared to Jan. 24 amount to $9,977,310—an increase of 10.5% over the same month of last year. Payments by industrial companies accounted for practically all of the increase—63 of these paying dividends amounting to $7,544,757, a rise of 16% over the 45 dividend payers for the same month last year. Initial dividends by five new listings, extra payments by three companies and renewed dividends by a number of companies, back on a dividend basis for the first time since early in the war, are the main factors in higher payments.

Payments by mining companies were off 33.6%, reflecting reduced rates by three companies. Following is a list for February, as compiled by The Financial Post.

Monthly Dividends

	1947 $	1946 $
January	33,874,733	27,085,896
February	9,977,310	9,029,986
Total	43,852,043	36,115,882

Industrials and Utilities

Company:	Rate	Date	Amount $
Anglo-C. Tele., 4½% pf.	.56¼q	1	58,500
Ault & Wiborg, pf.	1.37½q	1	6,182
Atlas Steels	.15	1	125,163
Ang.-Norcross	1.50a	1	8,840
Do., extra	1.00	1	6,860
Beaver Lumber	.50	1	78,369
Bertram & Sons, A	.25q	15	12,000
Blue Ribbon, pf.	.62½q	1	18,656
Brant. Roofing	.35	1	15,230
B. C. Pulp, 7% pfd.	1.75	1	9,732
Calgary Pwr., pfd.	1.50q	1	88,500
Caldwell Linen	.25	1	10,000
Do., 1st pf.	.37½q	1	5,500
Do., 2nd pf.	.20q	1	5,000
Can. Car, ord.	.20q	22	73,160
Do., A	.25q	22	100,000
Can. Utilities	1.25q	15	187,500
Can. Bronze	.50q	1	40,000
Do., 5% pf.	1.25q	1	9,375
Can. Pac. Rly., pf.	2%s	1	2,745,138
Celtic Knitting	.20a	3	54,000
Do., extra	.05	3	13,500
Conduits Nat.	.25	5	20,200
Cosmos Imp.	.30q	15	30,000
Do., extra	.15	15	15,000
Coast Brewing	.03q	1	54,094
Crown Cork	.50q	15	30,000
Cons. Glass	.50q	28	159,785
Distill.-Seagram, pf.	†1.25q	1	167,309
Dom. Bridge	.30q	25	164,185
Dom. Fabrics	.20q	1	14,000
Do., 1st pf.	.75q	1	6,750
Do., 2nd pf.	.37½q	1	7,500
Dom. Malting	.25q	1	15,760
Do., 5% pfd.	1.25q	1	8,125
Dom. Tar & Chem.	.25	1	110,500
Dom. Woollens	.20q	1	29,457
Donnacona P., 4½% pf.	1.12½q	15	28,125
Dryden Paper	s.15	1	22,500
Esmond Mills, 5% pf.	.25q	1	3,750
East. Theatres	1.00	8	32,000
Gen. Steel Wares	.20q	15	26,176
Do., pfd.	1.25q	1	62,500
Freiman, A. J.	.12½	1	10,625
Do., 4½% pfd.	1.12½	1	10,125
Langley's, 7% pfd.	2.00	11	11,314
J. F. Hartz, A	.12½	1	3,750
Hydro-El. Secs., B pfd.	.25s	1	165,240
Mercury Mills	.25q	1	23,635
McCabe Grain, A	.15q	1	6,737
Maple Leaf Gdns.	1.00	28	36,778
Mid. & Pac. Grain	.22½	1	22,500
Ont. Steel Prod.	.25q	15	12,110
Do., pref.	1.75q	15	6,304
Penmans	.75q	15	48,388
Do., pref.	1.50q	1	16,125
Purity Flour	.62½q	1	55,325
Prov. Transport	.30	27	66,000
Quinte Milk	.15s	1	6,600
Do., extra	.10	1	4,400
Quebec Power	.25q	25	138,299
Robinson Cotton	.10q	1	15,000
Rolland Paper, c.	.15q	15	9,000
Shea's Brew., A	.27½q	15	41,250
Do., B	s.75+.25	15	180,000
Simpsons, A	.75	25	270,000
Shawinigan W. Pr.	.30	25	601,188
Sher.-Wms., ord.	.20+.20	1	80,000
Slater, N.	.30q	1	1,250
St. Lawr. Flour	.40q	1	14,400
Do., pref.	1.75q	1	9,692
Stand. Fuel, 4½% pf.	.56¼q	1	11,250
Stanley Brock, A	.15q	1	4,702
Do., B	.10	1	6,270
Steel of Canada	.75q	1	345,000
Do., pref.	.75q	1	104,889
Southam	.19q	15	132,500
Sou. Can. Pwr.	.25q	15	100,000
United Corp., A	.38q	15	20,115
Do., B	.25q	28	59,948
Wood, A. & J., pfd.	1.75q	1	11,375
York Knit.	.20s	15	45,802
Do., 1st pfd.	3.50s	15	5,250
Do., 2nd pfd.	3.50s	15	10,500
Zellers	.25q	1	25,000
Do., 5% pfd.	.31¼q	1	12,500
Do., 6% pfd.	.37½q	1	15,000
Total			7,544,757
Mining Companies			
Inter. Nickel, pf.	†1¾%	1	483,486
Lamaque Gold	.02½	1	75,000
Teck-Hughes	.05	1	240,357
O'Brien Gold	.03	28	98,300
Total			897,143
Oil Companies			
Can. Oil, c.	.20	15	28,752
Total			28,752
Financial			
Bk. of Nova Scotia	.30q	1	360,000
Can. Bk. of Comm.	.20q	1	600,000
Can. & For. Secs.	.10a	1	45,000
Do., extra	.02	1	9,000
Can. Inv. Fd. ap. & ord.	.05	1	126,675
Can. Investors	.10q	1	10,000
Comm'with Intl.	.04q	15	5,983
Dominion Bank	.25q	1	175,000
Imperial Bank	.25q	1	175,000
Total			1,506,658
Grand total			9,977,310

q Quarterly. s Semiannually. a Annually. †N. Y. funds. eInitial.

'46-47 Surplus $200 Millions

(Continued from page 1)

will reach nearly $2¾ billions—10% above budget estimates.

On the other hand, expenditure is running only 80% of what was anticipated last June. Biggest "savings" appear to be in Veterans' Affairs, National Defense and other demobilization and reconversion expense.

Federal spending in 1946-47 may not run much beyond the $2.5 billions mark as compared with a budgeted figure of $2.9 billions.

This would mean that instead of a federal deficit of $430 millions, the Government will end the year with a surplus of over $200 millions. This is apart from "loans and advances" not included in the regular budget and which were estimated last June to involve a cash outlay of close to a billion dollars. Biggest item here is export credits to foreign governments and the special line of credit to Britain.

St. Lawrence Corp. Activity

(Continued from page 1)

White said he had no comment to make. E. P. Taylor was out of Toronto and not available for comment.

Biggest difficulty in the way of any plan for reorganizing the capital structure of the whole St. Lawrence Paper group is said to be the fact that 75% of each class of stockholders of St. Lawrence Paper Mills, for instance, would have to approve a capital reorganization for that company. Whatever new group might now control St. Lawrence Corp. would undoubtedly wish to protect the position of St. Lawrence Paper Mills common almost all of which is owned by St. Lawrence Corp. Any capital reorganization plan which would have the effect of diluting the equity of the existing St. Lawrence Paper Mill preferred shareholder, would almost certainly be challenged by St. Lawrence Paper Mills preferred shareholders.

At all events, nothing in the way of fireworks is expected before the regular annual meeting of the St. Lawrence group, expected in April. At that time it will be determined just where control of this group lies; and if the control has passed to interests other than the present directors, there may be large-scale reshuffling of directorships and some indication of what reorganization, if any, for the group is in the offing.

Look For It Here

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ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government.

Addressograph - Multigraph of Canada Ltd. (Toronto) — Wm. H. Layzell, managing director.

Alberta Government — Kenneth Hutchinson, film commissioner; Richard McDonald, co-ordinator of culture activities.

Aluminium Ltd.—Paul LaRoque, a director.

A. B. Hamilton Co. (Winnipeg) —E. M. Daly, western Canada sales representative.

Brock Co. (Western, Calgary)—W. A. Stanford, assistant manager.

Continental Life Insurance Co.—John W. Medland, a director.

Canadian Advertising Agency Ltd. — Stuart B. Smith, general manager, Toronto office.

Canadian National Railways—Jas. B. Thom, European manager.

Crown Life Insurance Co. — Peter McDonald, E. J. S. Brown, F. W. Hill, assistant general managers; A. F. Williams, superintendent of agencies; I. M. Gilbert, assistant superintendent of agencies.

Canadian Pulp & Paper Association — F. L. Mitchell, manager; Leander Manley, secretary-manager western branch (Vancouver).

Canada Cycle & Motor Co. — Ralph L. George, manager Ontario and export sales.

Canadian Pacific Railway Co. — Earl M. Brock, special representative,. western lines, Winnipeg; F. J. McBean, express agent, Brandon.

Canada Life Assurance Co. — W. E. C. Martin, G. D. Saunders, assistant treasurer.

Duke Equipment Co. — J. A. Salat (Montreal) president.

Displays Ltd. (Toronto)—K. W. Petrie, a director.

Dominion Government — Col. H. E. T. Doucet, public relations director, National Defense Dept.

Dominion Stores Ltd. (Toronto) —T. G. McCormack, treasurer.

Eastern Steel Products Ltd. (Preston)—Fred J. Madely, general manager.

Enamel & Heating Products Ltd. (Sackville)—R. B. Fullerton, cost acountant; C. A. Atkinson, purchasing agent; R. J. Hesler, public relations director.

Edmonton Clearing House Association — I. J. Hutton, chairman; J. W. McDairmid, vice-chairman.

J. H. Ashdown Hardware Co. (Winnipeg) — C. H. Smith, retail store manager.

London Life Insurance Co.—Robert H. Reid, vice-president and managing director.

Marathon Paper Mills of Canada (Port Arthur) — Frank E. Wood, treasurer; Ken Moyer, controller; Grant D. Ross, manager, paper mill; A. E. Gordon, townsite construction superintendent.

Monarch Knitting Co. (Toronto) —M. Earl Heard (Shawmut, Alabama) a director.

Minneapolis Honeywell Regulator Co.—R. E. Minaker, branch manager, Vancouver.

Manitoba Association of Professional Engineers—B. A. Johnston, president; A. H. Rogers, vice-president; S. H. Landon, secretary-registrar; Geo. E. Cole, J. W. Battershill, C. L. Fisher, T. E. Storey, councillors.

Macmillan Co. of Canada (Toronto)—F. A. Upjohn, a director.

National Dairy Council of Canada—R. C. Smellie (Russell, Man.) president; Lea Marshall (Jarvis, Ont.), G. M. Carlyle (Calgary) vice-presidents; W. K. John (Ottawa) secretary-treasurer.

National Trust Co.—R. J. Dinning, H. E. Pearson, S. Bruce Smith, members advisory board, Edmonton.

Sterling Electric Co. (Moose Jaw) —Cecil F. Moore, president and general manager.

National Research Council — Dr. David A. Keys, vice-president.

S. H. Lennard & Co. (Vancouver) —F. J. Pullen, a director.

National Cash Register Co. of Canada (Toronto)—Roy J. Craig, assistant factory manager.

Pacific Northwest Personnel Managers' Association—O. A. Petersen (Vancouver) vice-president.

Prudential Assurance Co. (London, Eng.)—A. Bardal, life branch manager, Manitoba.

Prairie Thoroughbred Breeders and Racing Association — F. F. Montague (Winnipeg), president; Lee Williams (Edmonton), H. J. Hickey (Winnipeg), J. F. Lunner (Regina), vice-presidents.

Skillcraft Metal Products Ltd. (St. Catharines)—Edward A. Horton, a director.

Shawinigan Water & Power Co. —J. A. Fuller, director and vice-president; R. J. Beaumont, director.

Wartime Prices & Trade Board —Thos. A. Climo, deputy sugar administrator.

Truck Loggers' Association of B. C. — A. P. Allison, president; Clair C. Smith, vice-president; F. H. Adames, secretary.

Toronto General Trusts Corp. — Prentice Bloedel, Sherwood Lett, advisory board members.

University of Western Ontario (London)—Miss Helen Allison, registrar.

University of Saskatchewan—J. S. Palmer (Marsden), S. N. Horner (Creelman), senate members.

War Assets Corp. — B. Lloyd Schurman, branch sales manager, Moncton.

SEALED TENDERS INVITED FOR

$8,931,000.00

City of Toronto

2%, 2¼%, 2½%, 2¾%

Serial Instalment Debentures

(Interest and Principal payable in Toronto only)

Sealed tenders endorsed "Tender for City of Toronto Debentures," addressed to Robert H. Saunders, Esq., C.B.E., K.C., Mayor and Chairman of the Board of Control, will be received by the undersigned until 12 o'clock noon (Eastern Standard Time), Tuesday, February 4th, 1947, for the purchase of:

(a) $2,519,000—2%—Serial instalment debentures, dated February 15th, 1947, maturing 1948-1952.
(b) $2,061,000—2¼%—Serial instalment debentures, dated February 15th, 1947, maturing 1953-1957.
(c) $1,474,000—2½%—Serial instalment debentures, dated February 15th, 1947, maturing 1958-1962.
(d) $2,877,000—2¾%—Serial instalment debentures, dated February 15th, 1947, maturing 1963-1972.

TENDERS WILL NOT BE RECEIVED FOR ANY PART, BUT MUST DEFINITELY SPECIFY ONE PRICE FOR THE ENTIRE ISSUE OF $8,931,000.00.

The favourable opinion of the legal firm of Messrs. Clarke, Swabey, McLean and Ross, Toronto, as to the validity of the issue, will be engraved on the debentures.

To comply with the requirements of the Municipal Act and the by-laws, one specific debenture having the latest maturity date under each by-law, is redeemable at par plus accrued interest at any date prior to maturity, at the option of the Municipality.

Full details, as to the purposes for which bonds are being issued and amounts maturing annually, together with Financial Statement of the City, will be furnished on application.

The debentures are in coupon form, are payable both interest and principal in Toronto and are of the denomination of $1,000.00. Provision is made for registration of principal only.

Engraved debentures will be ready for delivery on February 17th, 1947, and payment, with accrued interest, is to be made at the office of the undersigned upon delivery.

A certified cheque for $178,620.00 (2% of total issue) payable to G. A. Lascelles, Commissioner of Finance, must accompany each tender.

Tenders containing conditions varying from the above will not be considered.

The right is reserved to reject any or all tenders.

G. A. LASCELLES,
Commissioner of Finance.

Treasury Department,
City Hall, Toronto, Canada, January 28th, 1947.

WORKING WITH CANADIANS IN EVERY WALK OF LIFE SINCE 1817 . . .

"MY BANK"

TO A MILLION CANADIANS

B of M

BANK OF MONTREAL

New Crown Life Appointments

E. J. S. BROWN — F. W. HILL, F.A.S. — P. McDONALD

Announcement has been made by the Crown Life Insurance Company of the appointment of Mr. E. J. S. Brown as Assistant General Manager and Manager of Agencies; Mr. F. W. Hill, F.A.S., as Assistant General Manager and Actuary; and Mr. P. McDonald as Assistant General Manager and Secretary.

Business Properties Just Not Available

(Continued from page 1)

brook interests. Building under construction or projects about to start are Toronto's Bank of Montreal and Bank of Nova Scotia buildings, on opposite corners of downtown Bay and King streets.

Market flurry in stores may decline with retail sales in the 1947 third quarter in most major cities.

Store prices in most large centres are now 50 to 85% above 1943 and seen levelling off there, though suburban land values and building prices are still rising moderately. Price rise not quite so steep in the West.

Construction awards for stores in Canada last year were valued at $29 millions, against under $7 millions in 1945.

Warehouse demand continues to peak in most large centres. But trading has slumped for lack of available buildings; sales in the past five years have virtually cleaned the market.

Purchasers have been mainly buyers for use; little speculation evident. One exception is the Toronto case of recent date where an astute investor noticed that National Grocers had built a new warehouse in the suburbs and would be moving from its downtown location. He lined up a new tenant—a company which had plans to build but had hesitated because of high building costs—arranged a long-term lease at a profitable rental and then bought National Grocers building. Everybody is happy.

Warehouse construction awards in 1946 totalled $28 millions against $20 millions in 1945.

Interesting sidelight on the warehouse building picture is the huge program in the West launched last year by farm tool distributors.

"About half" of Winnipeg's and Toronto's hotels have changed hands in the past two or three years. There has been a similarly high volume of trading in smaller hotel properties in other Prairie and Ontario cities; nothing comparable in Quebec, though some transactions in that province's Laurential resort company.

Reasons for the flurry, as given by real estate observers:

(a) nature of the business increasingly attractive under tax law—owner usually handles all receipts, which are on a cash basis;

(b) optimism—perhaps in some quarters overoptimism—on possible liberalization of the new Ontario cocktail bar restrictions;

(c) beverage and dining room revenue up steeply in wartime with military and munitions concentrations and trend to eating out.

Hotel and club construction and alteration contracts in 1946 were valued at $18.7 millions, against $5.5 millions in 1945.

Louvicourt Cuts 62-ft. Ore Body

A drill hole put out at a down angle of 35 degrees to the south from the 225-ft. east drift of Louvicourt Goldfield Corp. has cut a width of 62 ft. "loaded with visible gold," The Financial Post is informed.

It is believed that the drill hole was put out fairly close to the east face which is reported to run 1.55 oz. over 8 ft. No assays were available at press time on the latest drill hole completed but assays are expected to be available almost immediately.

Exclusively Simpson's!

Canadian Tailored Casual

Handsomely tailored by John Morley from warm all-wool materials — this distinctively Canadian shirt-jacket is equally right worn inside or outside your trousers! Ideal for year 'round sports or lounging — this shirt-jacket will prove to be the most versatile garment in your casual wardrobe! Choose from plain shades, fancy checks, smart hound's-tooth effects. Sizes small, medium, large and extra-large. Each 10.25 to $25.

The Store for Men Simpson's Street Floor.

Provinces Will Get More Now, Less Later

Income and Estate Taxes to Yield Nearly $1.4 Billions This Year Must Redistribute Cost of Future Social Services, Abbott Warns

By KENNETH R. WILSON

OTTAWA—When Hon D. C. Abbott announced the new revised federal "formula" this week, he also served notice on the provinces that they need not now expect such generous treatment, if, as and when they eventually came to Ottawa to discuss public investment and social security policy.

Said Mr. Abbott:

"The general purposes and principles underlying the social security and public investment program of the original proposals of Aug. 1945 still remain the objectives of the Dominion Government. The substantially higher payments which the Dominion is now offering to the provinces will have to be taken into account in working out the details of these programs. The increases in the direct payments offered to the provinces will require a corresponding adjustment in the division of costs originally proposed for the public investment and social security programs."

Just how far the Government will be able to carry out this intention remains to be seen. Much will depend on the amount of unemployment and general state of the nation at the time such discussions take place; also on the buoyancy of federal coffers and receipts at that time.

Commitments Higher

One fact has emerged from the new proposals now officially announced: Ottawa is now obligated to pay to the provinces nearly one-fifth of all the revenues it could hope to receive from income, corporation and estate taxes. For 1947, assuming all provinces were to accept the federal offer, the ratio will probably be about 18%. That figure is based on the expectation that Ottawa collects about $1.2 billions in 1947-48 from these three taxes. Collections in the present fiscal year are estimated now to be climbing toward the $1.4 billions mark. But it will be many a long day before Ottawa can again hope to get anything like this revenue from these three taxes.

Thus, the importance of the upping, by Ottawa, of the minimum payment which provinces will receive once they sign the agreement.

As shown in the following table, minimum payments are now almost 50% higher than in the August, 1945 proposals. This means that Ottawa has "frozen" an additional $68 millions in "floor" payments. This is the basic reason for the promised "adjustment" when Ottawa comes to discuss social security and other similar proposals.

PROPOSED MINIMUM PAYMENTS TO PROVINCES
(In Millions of Dollars)

	Original Offer	Budget Revision	New Proposal
P. E. I.	1.1	2.0	2.1
N. S.	6.9	8.9	10.9
N. B.	5.5	7.0	8.8
P. Q.	40.0	50.9	56.4
Ont.	45.5	58.3	67.1
Man.	8.8	10.9	13.5
Sask.	10.8	13.4	15.3
Alta.	9.6	11.9	14.0
B. C.	9.8	18.1	18.1
	138.0	181.4	206.2

But even though the "floor" has been moved up by 50%, an important feature, largely overlooked, is the much narrower spread between new and original proposals in a year like 1947.

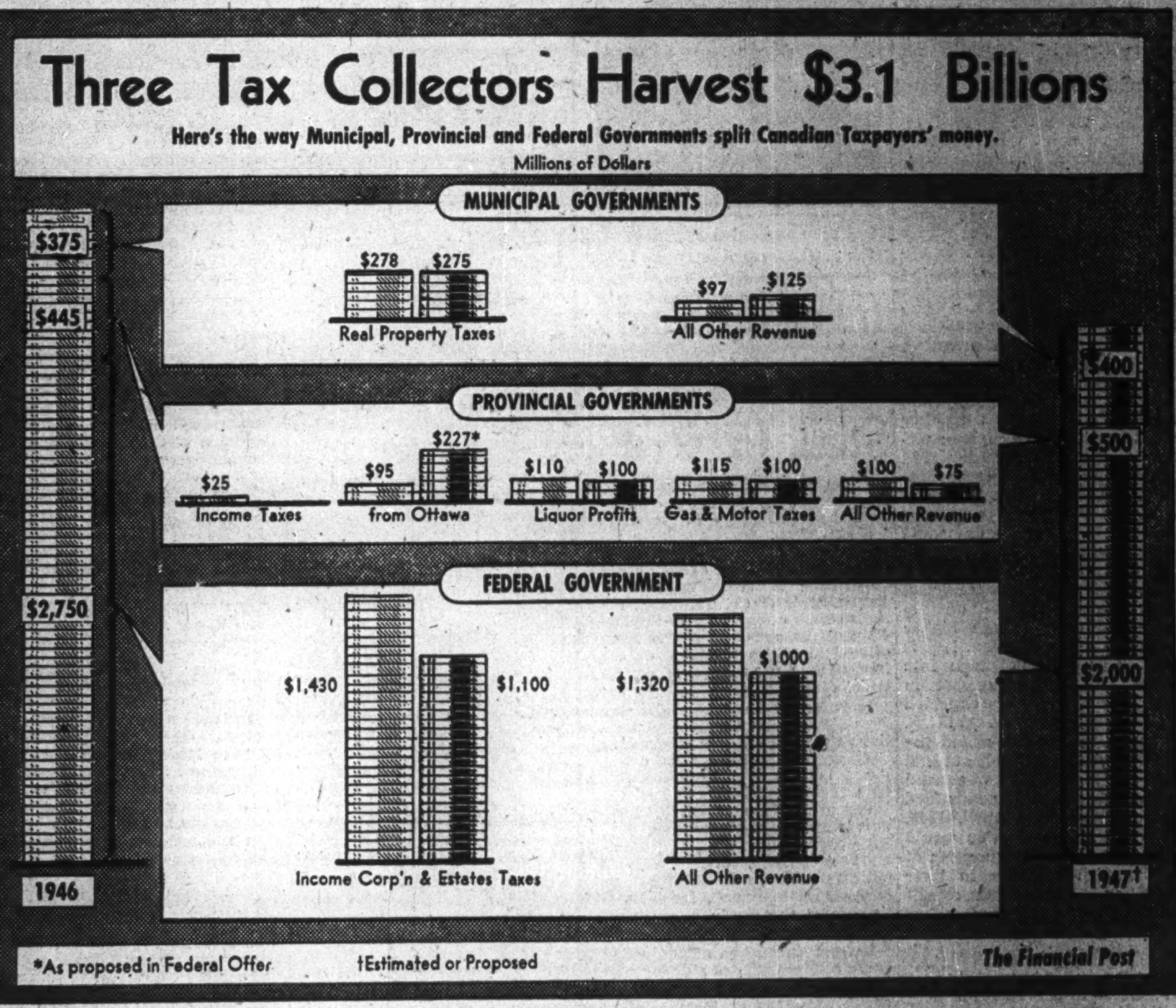
Had the provinces accepted the original federal offer of August, 1945, they would, in 1947, be probably receiving about $190 millions (the approximate amount by which the "gross national production" and "population" escalators would have brought the payment over and above $138 millions "floor").

According to last week's offer of $227 millions, the provinces would have gained not 50% as in the case of the "floor" but only about 20%. Comparative figures of the 1947 value of the new and old offers follow:

Estimated Value of Federal Offers, 1947

	Original Offer ($000,000)	Budget Proposals ($000,000)	New Proposal $	Per Capita* $
P. E. I.	1.4	2.0	2,285,000	24.00
N. S.	9.7	10.0	12,134,000	18.80
N. B.	7.5	7.5	9,432,000	20.00
P. Q.	56.3	57.3	63,011,000	17.00
Ont.	62.0	64.5	73,968,000	17.80
Man.	11.7	11.8	14,218,000	20.00
Sask.	13.7	13.7	15,684,000	19.00
Alta.	13.1	13.3	14,840,000	18.50
B. C.	14.4	18.1	21,353,000	21.35
	189.8	198.2	226,927,000	18.30

*New proposals; estimated on assumed population of each province at present time, i.e.: 1947.



Three Tax Collectors Harvest $3.1 Billions

Here's the way Municipal, Provincial and Federal Governments split Canadian Taxpayers' money.

Millions of Dollars

*As proposed in Federal Offer †Estimated or Proposed

The Financial Post

Here's Your Tax Bill – Past and Present

(In Millions of Dollars)

(Fiscal Years Ending Nearest Dec. 31)	1939	1941	1946	1947*
Municipal Governments:				
Real property taxes	243	251	278	275
All other revenue	79	83	97	125
Total	322	334	375	400
Provincial Governments:				
Income, corporation and estate taxes	72	88	25	..
Received from Ottawa	19	34	95	227†
Liquor profits	33	46	110	100
Gasoline tax and motor vehicle revenue	81	97	115	100
All other revenue	52	75	100	75
Total	257	340	445	500
Federal Government:				
Income, corporation and estate taxes	138	654	1,430	1,200
All other taxes and revenue	344	735	1,320	1,050
Total	482	1,389	2,750	2,250
All Governments‡:				
Income, corporation and estate taxes	215	747	1,455	1,200
All other revenue	820	1,275	2,015	1,650
Total	1,035	2,022	3,470	2,850

*Estimated or proposed.
†As proposed in latest federal offer.
‡After subtracting intergovernmental transfers, payments, etc.

Total Canada Tax Yield Nearly $230 per Capita

Provinces Guaranteed Yearly Minimum of $206 Millions, Under Latest Abbott Offer – Expect Cut in Levies, or Rebate to Municipalities

OTTAWA (Staff)—One way for individual Canadian taxpayers to look at the latest federal tax offer, is to see what taxes all of us have been paying in recent years.

Equally useful would be a bit of crystal-gazing to see what might conceivably happen if all the provinces were to accept the latest federal proposal.

Here are some highlights gleaned from the accompanying table prepared by The Financial Post:

1. Probable level of revenue and tax collections by all Canadian governments (federal, provincial and municipal) in 1947 will be around $2.8 billions. (The "tax year 1947" is the year ending March 31, 1948, for Ottawa. It is the year ending nearest to Dec. 31, 1947, for all other governments.)

2. Estimated collections of $2.8 billions would work out to about $230 per capita. Of this, $2¼ billions or almost 80% will probably be collected by Ottawa. Receipts from income, corporation and estate taxes (the three fields which Ottawa is seeking to handle exclusively) should run at least $1.2 billions depending on how lenient Finance Minister Abbott and the Government decide to be with taxpayers in 1947.

3. The $227 millions which Ottawa now proposes to hand to the provinces to spend as they please (in return for exclusive income, corporate and estate tax rights) represents about 8% of the expected receipts of all governments, or $18.30 per capita. It represents 18% of probable total collections from income, corporation and estate taxes in the coming year.

4. This $227 millions is 2.5 times more than provincial governments have ever collected from these three sources in the past. But until the war, total receipts from these three taxes by all governments was only about $200 millions. How much could be collected now, by the 10 governments, individually, is anyone's guess. It would be much more than the pre-war level.

5. The proposed $227 million payment represents about 50% of probable budgeted expenditure of provinces in 1947 (exclusive of capital account). (For 1946, Canadian provinces budgeted to spend $416 millions on ordinary account, plus $150 millions on capital items. They budgeted for revenues of $407 millions in 1946, but actual receipts are expected to go at least 10% higher, or about $445 millions.)

6. Liquor revenues and receipts from gasoline taxes and motor vehicle licenses are major sources of provincial revenue. If provinces received $227 millions from Ottawa in 1947 (compared with $95 millions received under the wartime tax agreements in 1946) they could materially lower their own direct taxes or give direct relief to their municipalities.

If they decided to leave taxes as at present, and still got the $227 millions, this would boost their receipts by 30%, to about $580 millions. In the accompanying table, it has been assumed that this would not occur and that part of this federal payment would be passed on to municipalities and in the form of lower provincial collections.

7. Not shown in the table but equally important is the fact that under the new federal proposals, the minimum the provinces would receive in exchange for the three tax fields, is $206 millions. The importance of this minimum is the "support" it gives to the revenue of provincial governments and the fixed obligation it imposes on Ottawa, irrespective of the actual level of federal taxes over the next five years.

GOLDVUE MINES reports that Everett E. Ott, Toronto, has underwritten 25,000 shares at 35 cents and optioned 75,000 shares at 35 cents and 99,995 shares at 40 cents.

Hydro to Absorb Conversion Costs in 60-cycle Change-over

Canadian manufacturers in Ontario's "25 cycle island" heard an outline this week of the Hydro-Electric Power Commission of Ontario's plan for converting power in the Niagara district to the standard 60-cycle frequency from Commissioner W. Ross Strike.

Speaking at a C.M.A. luncheon in Toronto, Mr. Strike and M. J. McHenry, Hydro's director of promotion, made these points:

1. If the standardization plan was not adopted, not more than a maximum drop of 7% in hydro rates to retail consumers could be expected over the next 10-year period.

2. The Hydro proposed to go into each plant and work with the company's own technical engineers to solve individual change-over problems.

3. Industrial consumers would have their 25-cycle motors either re-wound or replaced by equivalent-life equipment at Hydro's expense. There would, however, be no compensation for loss of production during the change-over period.

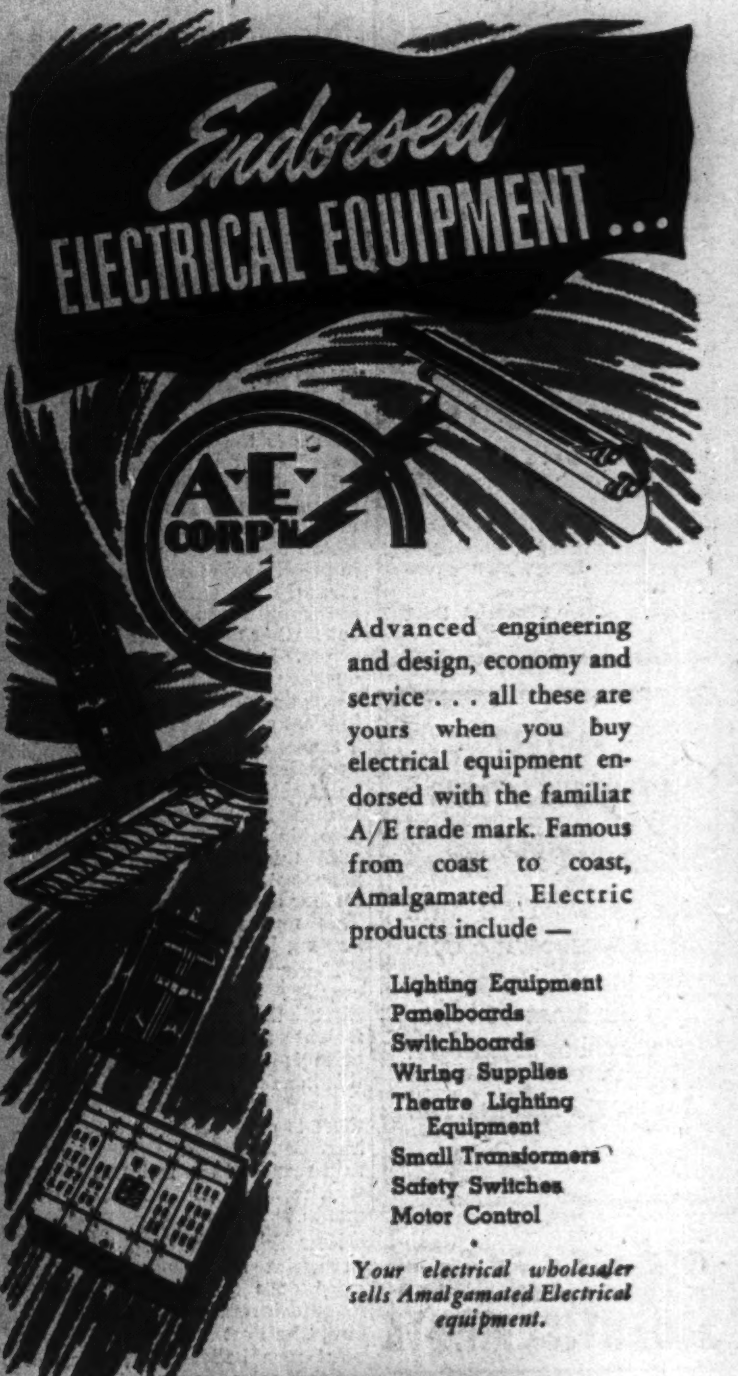
Reconversion Plans

4. Plans would be drawn to cover conversion in each plant and keep lost production time to a minimum. In many cases the operation might result in no loss of production time.

5. There would be no increase in power cost at the retail level. The only increase would be 5% in wholesale power to municipalities. In view of the financial position in most municipalities it is not expected that this 5% increase will be passed on to consumers. (Municipal hydro systems cannot alter retail rates without the approval of the Provincial Hydro.)

Mr. Strike pointed out that future Hydro developments for Ontario will be on either an inter-provincial or international boundaries — the St. Clair, Niagara, St. Lawrence or Ottawa Rivers. All developments outside Ontario will be 60-cycle power. In order to have any hope of inter-connection with these systems, Ontario will have to stabilize at 60 cycles.

HOSCO GOLD MINES has received payment on 15,000 shares at 50 cents. Issued capital is three million shares.



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Contact our Toronto or Montreal office for names of the executives quoted above, and for details of the publication serving your field.

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OTTAWA ORGANIZATION, directed by two former senior Army Officers, wishes to obtain lines to act as agents or representatives for Eastern Ontario and Western Quebec. Box 30, The Financial Post, Toronto.

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MANUFACTURERS OR distributors desiring to locate a responsible agent with a proven record of consumer sales ability and excellent character references, write Box 37, The Financial Post for further particulars. Age 39.

EXECUTIVE MECHANICAL ENGINEER, SOUND AND broad experience all phases of metal manufacturing industries and high record of achievement. Capable and tactful administrator of design, project analyses, methods, planning and production control. Seeks appointment as works manager, general superintendent, consultant or similar capacity, temporary or permanent. Box 29, The Financial Post, Toronto.

ATTENTION MANUFACTURERS

YOUNG AGGRESSIVE Manufacturers' Agent, headquarters Winnipeg, is in a position to consider one quality Houseware, Housefurnishing, or kindred line. Territory: Head of Lakes to West Coast. Display room. Box 32, The Financial Post, Toronto.

AGENCIES WANTED

WESTERN CANADA company established 26 years with first class selling organization, warehouse and over 1,000 accounts, wishes to contact manufacturers with view to exclusive territory in four western Provinces. Interested in electrical appliances and fixtures, fluorescent fixtures, leather goods, albums, smokers' sundries, jewellery, watches, china, glassware, etc. Box 119, The Financial Post, Toronto.

MANUFACTURERS ATTENTION

AGGRESSIVE MANUFACTURERS' Agent, 18 years' experience covering B. C. only, seeks new lines for 1947, especially interested in textiles, giftwares, glasswares, sporting goods, plastics, leather goods, hosiery. Visiting Eastern Canada in February. Personal interview desirable. Box 38, The Financial Post, Toronto.

POSITION WANTED

POSITION AS Security Officer wanted by competent married man, age 51, with over twenty-five years practical experience in Police and Security work. Fully qualified to survey set up and administer all security matters. Excellent references. Write Box 18, The Financial Post, Toronto.

Business or Agency Wanted

GROUP OF graduating Chemical Engineers wish to buy or lease a business or agency—a going concern—max. value $100,000. Give location, type of business and financial condition. Strictest confidence. Box 44, The Financial Post, Toronto.

EXPORT TRADE

AVAILABLE FOR India and Orient, sales organizer with excellent record. At present managing western Prairie Provinces of large Canadian organization. Headquarters in Toronto. Took over Prairie branches during depression and placed them on paying basis with increased sales and reduced costs. Has twenty years' residence in Canada. Educated in Orient. Knows how to deal with people in Orient. Desires to represent Canadian firm. Has highest references. Write Box 43, The Financial Post, Toronto.

INVESTMENT THIS WEEK

Newsprint Rise Is Hinted Due to Mounting Costs

Although manufacturers are not suggesting an immediate increase in the present $84 a ton newsprint price, some would not be surprised to see a further $5 or $10 jump this year, The Financial Post understands. A determining factor will be production costs. If these continue to rise, manufacturers say the increase, at least, will be reflected in the price.

This is the time of year when estimates of pulpwood costs are made, it is pointed out. Some companies this year will have to make upward revisions of estimated costs. One item, coal, is up in price. Also manufacturers, particularly in Quebec, find costs are mounting as timber limits are cut farther and farther back from rivers. Labor costs are still a question mark since union contracts do not come up for renewal in most cases until May.

Some economies in pulpwood operations in Quebec will likely be affected by the reallocation of timber limits presently taking place in the province. But even with this move most pulp and paper companies are forced to go farther afield for their pulpwood. This means increased cost for hauling logs to the mills.

Newsprint companies must also consider two additional factors. First is the 17.6% increase in U.S. freight rates. Since newsprint price is quoted f.o.b. New York this increase must be absorbed by the newsprint manufacturer. Also there is a strong possibility of an increase in Canadian freight rates as a result of the freight hearing which starts in Ottawa this month.

New York reports spot sales of newsprint at $200 a ton. This price does not affect Canadian manufacturers to any great extent, The Post is informed. Newsprint men believe that many of the spot sales are made by wholesalers and that few newsprint manufacturers are getting this price for any of their production. Prices offered in this market are in some cases fantastic, but are usually for relatively small amounts.

A $200 a ton price is a "market freak" and there is no suggestion that it will generally prevail. But users can expect to pay for any further increase in costs.

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Annual Reports

One valuable figure for investors that some companies do not state in their annual report is the amount of the refundable portion of the excess profits tax for the current year. The shareholders obtain a much clearer picture of the company's affairs when it is revealed and it is information to which they would seem entitled. As the refundable portion of EPT was dropped at the end of 1945, this would only apply to reports where the fiscal year ends prior to Dec. 31, 1946.

• • •

A list of subsidiary companies included in consolidated financial statements and a list of all subsidiaries in which a company is interested should be a "must" for every annual report. Shareholders are interested in knowing the extent of their company's operations and what the figures include. This point was raised by a shareholder at an annual meeting last year.

• • •

The cover of the Orange Crush Ltd. 1946 annual report is rather arresting, being designed to appear like the outside of one of their bottles.

• • •

New U. S. Rate Demand Seen Helping CPR Request

Investors in CPR see the chance of an increase in Canadian freight rates improved by reports from the United States that another freight boost may be in the making there. The new increase would be atop the 17.6% increase recently granted. Although no one wanted to be quoted, consensus was that U. S. railroads would ask for another 10%-20% jump in rates, it is reported.

Main reason for the new request is that some railroads will operate in the red even though higher rates went into effect Jan. 1, it is stated. This does not take into account any future increase in costs because of the expected round of wage demands. One U. S. railroad president has stated the 17.6% increase granted did not cover the increase in wage and material costs since the rails filed their application in April, 1946.

A new U. S. application would tend to strengthen the position of the Canadian railroads in their application for an increase, scheduled to be heard in February.

• • •

Debt Position is Improved By Pulp and Paper Firms

A marked improvement in debt position in 1946 will be shown by 11 pulp and paper companies, The Financial Post calculates. These companies, which represent 80% of the industry's rated capacity, will record the following on a consolidated basis:

Funded Debt: cut from $205,251,000 at the end of 1945 to $154,803,000, a reduction of 32.6%.

Interest Charges: cut from $10,093,000 to $6,059,000, a cut of 40%.

Outstanding mortgage debt of the industry is being serviced at present at an average coupon rate of 3.91% (4.91% cost basis in 1945).

In 1945 these 11 companies had slightly less than $20 millions of net profits: 1946 profits are expected to reach $50 millions or more. Dividends paid out in 1946 were double 1945's.

Based on known data, here is how 80% of the industry fared last year on a company by company basis:

Company:	Funded Debt end 1945	Funded Debt present	Debt Charges 1945	Debt Charges present	Cost of Debt 1945	Cost of Debt present
	($ 000 omitted)					
Abitibi	62,273	53,094	2,825	2,655	4.54%	5.00%
Consolidated	42,220	35,000	2,272	1,225	5.38%	3.50%
Donnacona	5,860	5,200	291	267	4.56%	4.50%
Great Lakes	4,747	4,750	240	166	5.05%	3.50%
International Paper	46,568	18,441	2,406	420	5.17%	2.22%
Lake St. John	7,000	6,000	421	315	6.00%	5.25%
MacLaren P. & P.	19,483	19,483	843	644	4.33%	3.30%
Minnesota & Ontario	5,700	3,000	265	80	4.65%	2.63%
Powell River	nil	nil	nil	nil	nil	nil
Price Bros.	11,400	9,835	554	320	4.86%	3.25%
St. Lawrence Paper	nil	nil	nil	nil	nil	nil
Totals	205,251	154,803	10,093	6,059	4.91%	3.91%

Chrysler Corp. Plans Higher 1947 Output

Chrysler Corp. of Canada, Windsor, Ont., contemplates producing about 2,350 more units in the first quarter of 1947 than in the corresponding 1946 period, Vice-President and General Manager E. C. Row tells The Financial Post.

"Our outlook for the second quarter and forward is brighter, based on current indications of an improvement in material availability during that period," Mr. Row adds. "Should this materialize, we anticipate reasonably substantial production increases."

Chrysler Corp. plans to buy, authorize fabrication and create inventories on a very substantial basis for production, so that if all materials are in balance production will be at a maximum, Mr. Row states. Present production continues to be limited by shortages of body and chassis sheet metal.

Chrysler Corp. of Canada produced 26,084 units from Jan. 1 through June 17, 1946, Mr. Row states. At that time, all operations ceased due to a strike which lasted until Oct. 25, 1946, with production loss of about 15,000 vehicles, Mr. Row states.

"We found it difficult, in resuming operations after the strike, to gain momentum in our production because of shortages of material," he states. "These shortages had entered into the picture during the strike period and could not receive the best of our attention, because our planning departments were not able to function in their offices during the strike. Nevertheless, in spite of the production lost during this strike period, we were able to produce 34,520 vehicles during the 7½ months we were able to operate."

Offer Debentures Of Can. Breweries

A new issue of $10 millions debentures of Canadian Breweries Ltd. is being offered by a syndicate headed by Burns Bros. & Denton Ltd. and W. C. Pitfield & Co.

Proceeds are to retire $4.4 million serial debentures outstanding, and for capital expenditures in connection with construction and expansion of plants and subsidiaries. (The Financial Post, Jan. 25, 1946.)

The issue consists of $3.5 millions 3% serial debentures due Mar. 1, 1948-54 ($500,000 a year) sold privately and $6.5 millions 3½% sinking fund debentures due Mar. 1, 1967, offered at $102.17 and accrued interest to yield 3.35%.

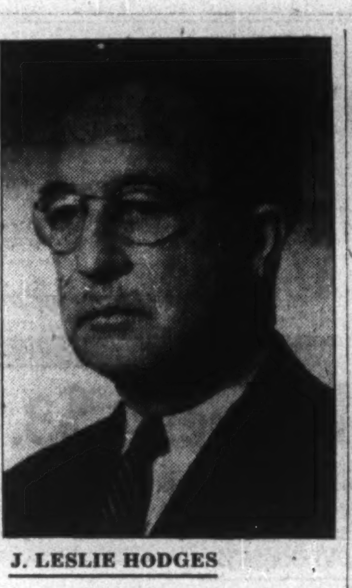
Capitalization, after giving effect to the redemption of the serial debentures and to this issue, will consist of the $10-million debentures and of two million no par value common shares. Maximum annual interest requirements on the issue will amount to $332,500, decreasing as debentures are retired. This compares with $193,083 reported for the fiscal year ending Oct. 31, 1946.

Mod'n Containers Expanding Plant

Modern Containers Ltd., Toronto, has sold its food product caps division and part of its molding division to Armstrong Cork & Insulation Co., Montreal. This portion only represents a very small fraction of Modern Containers' over-all business a company official informs The Financial Post.

It is the intention of Modern Containers to leave the specialty field almost entirely, the official states, and concentrate more on the company's chief line—collapsible tubes. Considerable plant expansion is now in progress for stepping-up production in this field.

Armstrong Cork & Insulation Co. announces that purchase will complete its line of closures by the addition of a comprehensive list of metal caps for narrow-mouthed bottles and wide-mouthed jars for the food and cosmetic industries. It would also give the company added facilities for the manufacture of molded closures.



J. LESLIE HODGES

has been appointed President of the newly-formed Raymills Ltd.

Ingersoll Tool Pref., Class A Stock Offered

Ingersoll Machine & Tool Co., Ingersoll, Ont., became a public company this week with the offering of $350,000 4% cumulative redeemable sinking fund preferred shares, par $100, and 81,640 no par value class "A" shares by McLeod, Young, Weir & Co. The preferred shares were offered at $100 to yield 4% and the class "A" shares were offered at $10 to yield 5% on the basis of the 50c. a share fixed preferential dividend.

Incorporated in 1920 under the Dominion Companies Act to continue the business of a predecessor company of a similar name established in 1914 as a munitions factory, Ingersoll Machine & Tool Co. is engaged in the machine tool business and manufactures dies, jigs, cutters, reamers, special custom-built machinery, power take-off units, axle shafts and complete steering gear assembly units for automotive, farm machinery and power-boat industries in Canada.

Largest single item of production is the Marles patented steering gear unit for which the company has the exclusive Canadian manufacturing rights.

The company has recently acquired the Canadian right for the manufacture of a medium-priced washing machine from American interests, it is stated. A contract has been entered into with an independent selling organization with established outlets to purchase the entire production of machines.

A controlling interest in Morrow Screw & Nut Co., Ingersoll, Ont., which was founded in 1887 is held.

The company presently employs 325 persons and the subsidiary 550 persons. Both expect to increase their working staff when basic iron and steel are in greater supply, it is stated.

Capitalization on completion of present financing will consist of 3,500 authorized issued 4% preferred shares, par $100; 100,000 authorized, 82,040 issued each of class "A" and class "B" no par value shares.

Proceeds of the preferred shares are to acquire 1,700 common shares of Morrow Screw & Nut Co. at a cost of $42,500 from E. A. Wilson and to improve the company's working capital position. The class "A" shares are being purchased from shareholders so that proceeds do not go to the company.

Consolidated earnings, including refundable portion of excess profits tax, averaged $113,672 for the nine-year and nine-months period ended Sept. 30, 1946. ($76,681 for the 1945 fiscal year and $114,078 for the nine months of 1946.) Annual dividend requirements on the preferred aggregate $14,000 and on the class "A" $41,020.

E. A. Wilson and H. A. Wilson own a majority of the class "B" shares and so are in a position to elect a majority of the directors.

Directors include President and general manager, E. A. Wilson; vice-president, Harold A. Wilson; secretary-treasurer, A. G. Warden; Sarah M. Wilson and Chas. Pearson, all of Ingersoll.

DOMINION OILCLOTH & LINOLEUM CO. net profits increased 6.57% to $1,169,093 in year ended Oct. 31, 1946. Sales were maintained at a high level, but shortages of raw materials and government control of the purchase of linseed oil, continue to hamper production, making it impossible fully to satisfy the present very large domestic demand, President Archie F. Baillie, states.

Price of linseed oil has increased from 71c. a gallon to $1.27 but prices of the company's main products have been pegged at 1939 levels by government order. Prices of competitive products in both the United Kingdom and the United States have been substantially increased more than once since the war, the president adds. The new plant for production of all types of calendered linoleum will not go into production as early as anticipated, due to delays in delivery of building materials.

INCOME AND SURPLUS ACCOUNT

Years Ended Oct. 31:	1946	1945
Net earnings	$1,686,681	$1,791,183
Less: Depreciation	121,602	119,578
Income taxes‡	395,986	574,626
Net profit	1,169,093	1,096,979
Less: Com. divds.	1,120,000	1,120,000
Def. divs. prov.	51,136	......
Deficit for year	2,043	23,021
‡Incl. ref. EPT	.....	17,627
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT*	$1.67	$1.57
Incl. ref. EPT*	1.67	1.59
Paid	1.60	1.60
Def.: Excl. ref. EPT*	0.61	d0.29
Incl. ref. EPT*	0.61	d0.07
Paid	0.64	nil

*Before participation.

CONDENSED BALANCE SHEET

As at Oct. 31:	1946	1945
Cash	$794,103	$2,266,738
Accts. rec.	627,181	613,287
Inventories	1,360,308	1,210,763
Total curr. assets	2,781,592	4,090,788
Subs., etc., invests.	3,820,123	3,817,873
Other invests.	4,759,132	3,520,037
Misc. assets‡	272,952	242,046
Fixed assets*	1,402,906	1,470,203
Total assets	13,036,705	13,140,947
Accts. & tax. pay.	441,112	621,511
Def. stk. div. res.	51,136	......
Total curr. liab.	492,248	621,511
Insurance reserve	910,000	910,000
Capital stock	6,400,000	6,400,000
Capital surplus	774,541	747,477
Earned surplus‡	4,459,916	4,481,959
‡Incl. ref. EPT	226,948	226,948
*After depr. of	3,352,645	3,272,669
Working capital	2,289,344	3,469,277

Managed Investment

Broad Changes Effected In the MacNab Account

MacNab invests in three large mining producers, an oil company, a distillery company, a CNR bond and another Dominion of Canada Bond. At the same time he sells his Bell Telephone, Aluminum, Canadian Canners, Eddy Paper, Algoma Steel and Canada Steamship Lines.

The MacNab Account Transactions

No. of Shares	Security	Price	Amount
SOLD:			
12	Bell Telephone	$187	$2,230.94
20	Aluminum 4% pfd.	26½	522.20
20	Can. Canners 1st pf.	29½	583.20
25	Eddy Paper (A)	20¾	512.00
5	Algoma St'l 5% pf.	100½	490.60
10	C. S. L. 5% pfd.	47	466.60
			4,815.54
PURCHASED:			
10	McIntyre Porc.	54½	548.50
30	Dome Mines	18¼	555.00
20	Hiram Walker	24⅛	485.00
30	Royalite	15¾	480.00
5	Cons. M. & S.	85¼	428.75
$1,000	Can. Nat. Rly. 2¾%/67	101⅛	1,016.13
$1,000	Dom. of Can. 3%/66	105¼	1,058.83
			4,572.21
	Balance to cash account		$243.33

Prices as at Jan. 16/47.

MacNab's Manager Says:

In my last report on your investment account I mentioned that it would be advisable at all times to maintain a proper balance between fixed income securities (bonds and preferred stocks) and common stocks.

To emphasize the point I submit herewith a tabulation showing the percentage of your holdings in each classification: (As at Dec. 15, 1946.)

Bonds and cash	$4,132	27%
Preferred stocks	6,125	40%
Common stocks	4,910	33%
	$15,167	100%

Looking ahead into 1947, it is very difficult to forecast the trend of the stock markets. It is obvious that certain groups have been under pressure continuously during the past six months. These include the liquor stocks, the golds, and the oils, among others. These groups are now selling at substantial discounts from their 1946 highs and should be in a buying range at this time. It is possible of course that they may go lower, depending on the amount of pessimism usually prevalent at or near the bottom of a market trend.

It is agreed that 1947 will be a very selective year in the stock market, with some groups making headway and others losing ground.

I am making certain changes in your account at this time which will have the following effect on your account as a whole:

(a) To reduce your holdings of preferred stock from	40% to	23%x
(b) To increase your holdings in Government bonds from	27% to	43%x
(c) To increase your holdings of common stocks from	33% to	34%x
(d) To maintain your present income.		
		100%

xApproximate.

New $35 Million Issue

I am accepting profits of about $20 per share on your holdings of Bell Telephone which cost $168 (average per share including rights on 2 sh.) This company will shortly ask for shareholder's approval to issue $35 millions of bonds for capital expenditure on new additions to plant. This may have the effect of depressing the market value of the common, which, of course, is a sound investment stock for income.

Recent increase in dividend on International Paper common from $2 to $3 annually warrants holding this stock, which yields over 6% at your cost of $49⅝. While the market price of your Westinghouse shares shows a paper loss, I feel that this company is worth staying with for the long pull and hence will retain your holdings for the present.

Yields on the common stocks purchased make them more attractive for both income and capital gain than certain high-grade preferred stocks which you were holding for income only. Addition of $2,000 in Dominion of Canada direct obligation and guaranteed bonds offsets any decrease in quality of your investments as a whole from a security standpoint.

Stocks selected for investment at this time have sold at the following highs in 1946:—

	1946 High	Current Price	Decline
McIntyre Porc.	$76½	$54½	22%
Dome	32⅝	18¼	44%
Consol. M. & S.	103	85¼	18%
Hiram Walker	159old*	24⅛	37½%
Royalite	25½	15¾	40%

*Split 4 for 1.

Senior Golds Promising

It is my intention to average down on these stocks should they sell at much lower prices during the coming year (1947). These companies all have large cash reserves, good management and a long record of dividend payments. Recent rumors of an increase in the price of gold, while not to be considered as other than rumors, plus a very definite demand for larger depletion allowances, should provide a good background for an increase in the market for senior gold stocks. In addition, a more favorable labor supply should increase production during the coming year and lower milling and mining costs. This has already been the case with Dome Mines.

Royalite Oil Co., a subsidiary of Imperial Oil Ltd., is the largest crude producer in Canada and will benefit to the extent of about $500,000 by the recent increase in the posted price of crude oil. There are 717,000 shares outstanding and the current dividend of $1, while not earned in 1946, should be fully earned in 1947. This stock yields over 6% at the current dividend rate. The company has $2 millions in cash and government bonds and is in a strongly entrenched position in the Turner Valley oil fields. Average production is running about 3,500 bbls.

Consolidated Mining & Smelters as the largest producers of lead and zinc in the world and the second largest in silver production, should benefit by any rise in the price of base metals.

Hiram Walker, in common with other liquor stocks has been under steady pressure from its high of $159 in Aug., 1946, for the old stock. It now is selling on a comparative basis of $24 vs. $39¼ or a decline of about 37½%. Shares are selling at less than five times earnings and the company is in a strong cash position, having realized about $9 millions in cash from the recent retirement of $20 millions of preferred and the sale of $30 millions of 2¾% bonds.

During the period from Dec. 16, 1946, to Jan. 15, 1947, MacNab received $74.50 in dividends and withdrew the regular $25 monthly living allowance.

The MacNab Account Now Stands

No. of Shares	Security	Cost per sh. $	‡Market per sh. $
12	Bell Phone of Can.	172½	180
15	Brazilian Tract.	26¾	23½
10	Can. Westinghouse	65	44
50	Imperial Oil	14	12¾
15	Inter. Paper	49⅝	50
100	B. C. Forest Prod.	3¼	4
	Preferred Stocks		
5	Algoma Steel, 5%	97	101
20	Aluminum Can., 4%	25	26¼
10	Argus, 4½%	100	91½
20	Can. Canners, 1st	23¾	29
10	Can. St'mships, 5%	40	47½
10	Steel of Can.	80	88
10	Goodyear Tire, 4%	56¼	55
50	Eddy Paper, A $1	22	20¾
50	Nat. Drug & Chem. 60c	14¼	13¼
	Bonds		
$1,000	Canada, 1¾%/47	100.80	100.40
$1,000	Canada, 1¾%/48	100.85	100.60
$2,000	Can. Sav., 2¾%/56	100.00	100.00
	Cash		$196.78
	Current market value of fund		$15,187.50
	Prospective annual income		$375.00
	Average yield on original $10,000 is		5.7%

‡Valuations at close Jan. 15, 1947.

Paint, Varnish Prices To Rise

MONTREAL (Staff)—A general 10% increase in the price of paints, varnishes, etc. is likely as a result of increased raw material costs, (linseed oil, imported pigments, lead and zinc), The Financial Post is informed.

J. M. Davey, Montreal, president of the Canadian Paint, Varnish & Lacquer Association told members at the 34th annual meeting that the recent lifting of price controls was "a challenge to all of us." In 1946, he said, paint industry production reached a new high of $60 millions, about $10 millions above 1945.

One of the industry's chief worries is shortage of linseed oil. At the recent agricultural conference at Ottawa the Canadian Association recommended increasing flaxseed acreage to 3 million acres with a price of $4 a bushel for the farmer. The industry hopes to achieve this goal by 1948 but the 1947 program is said to have been set at 1.5 million acres, with a price of $4 per bushel for the farmer.

St. John Sulph. Bonds Offered

MONTREAL (Staff) — Public offering of $2.5 millions of bonds in what was formerly a privately owned pulp and paper mill will be made this week by an underwriting group headed by F. J. Brennan & Co. Company concerned is St. John Sulphite, Ltd., which acquired in March, 1946, the woodpulp mill formerly operated by Port Royal Pulp & Paper Co., Fairville, N.B.

The issue will consist of $500,000 series "A," 2½%, 3¼% bonds maturing 1948-53 and $2 millions of 4% bonds maturing 1966. These bonds, dated Dec. 1, 1946, will be priced at 100 and accrued interest. On completion of this financing, capitalization of the company will consist of an authorized issue of $3 millions of bonds of which $2.5 millions will be outstanding; $3,365,500 of 6% noncumulative participating redeemable preferred shares, $10 par value, of an authorized issue of $4 millions; and 150,000 shares of no par value common, 100,000 outstanding.

The Fairville plant has a daily capacity of 110 tons of bleached sulphite pulp and is said to be running at an annual rate of 32,500 tons. Changes are now being made to increase output to 40,000 tons.

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FEDERAL ELECTRIC MANUFACTURING CO., Canadian manufacturing affiliate of International Telephone & Telegraph Corp., was recently awarded a contract to supply the Canadian Government with six FTR-51 dual aircraft instrument landing systems. The contract involves 12 localizer transmitters, 12 glide-path transmitters (one to be operating and one standing by at each airport) and six monitor and control units, it is stated.

TALMORA LONG LAC GOLD MINES has revealed four veins or zones through surface work and diamond drilling. These new showings are in addition to known ore shoots developed by earlier underground work on 300- and 500-ft. horizons. Company is 60% controlled by Tombill Gold Mines and balance of share interest is held by Mosher Long Lac Gold Mines. Approximately $170,000 has been provided by financing interests.

FACTORY FOR SALE

20,000 square feet, approximately 100' x 200'. Concrete floor, sprinkler system. Steam heated. Wired throughout in conduit. Fluorescent lighting installed. Drainage and sewerage connected to sewage system. Guard house, time office, costing office and 100' x 25' structure now used as stockroom in addition to main building.

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Investor's Dollar Buys Higher Earnings in 1947

Survey of 17 Companies Shows Common Stocks Now Selling at Average of 13.6 Times Earnings, 15% Lower Than at 1946-47 Highs

By JAMES H. JOYCE

One dollar of earning power in 17 widely diversified Canadian firms can now be bought 15.5% cheaper than at their 1946 highs. That is the conclusion of a survey of the recently published annual reports of these firms whose fiscal year includes at least nine months operation in the 1946 calendar year.

The decline in common stock prices after May 30, 1946, and the recovery of only part of their loss for most of the 17 stocks has resulted in their selling at an average of 13.6 times earnings for their latest fiscal year — 15.5% lower than the 16.1 times they were selling the same earnings at their 1946-7 highs.

At the time most of the stocks recorded their high, these earnings were still being developed. Now they have been reported the investor knows they are 25% higher on the average than the earnings for the previous fiscal year. But the stocks sell 14% lower than their highs on the average.

Varying results are shown by the individual stocks. Four stocks — Catelli Food Products, H. R. MacMillan Export, Western Breweries, and Southern Canada Power are at or near their highs. The first three of these and two others — Canadian Car & Foundry, and Canadian Food Products — are all selling at less than ten times their last year's earnings. This is generally considered a low times earning ratio.

Only two of the stocks — Consumers Gas Co. and Laura Secord Shops — sell at more than 20 times their earnings. The price of Consumers Gas no doubt reflects the 4.63% yield obtainable for its $8 dividend rate and the hope that rates may be increased to recoup earnings. (The company is permitted to earn a 10% dividend according to statute.) The price of Laura Secord Candy Shops partly reflects the hope of increased earnings as more sugar becomes available.

Harding Carpets common at $10½ a share, shows the biggest discount for its high. (36.4%) despite the anticipation of a big volume of business for the carpet companies. This may be due to two factors. The company's officers and directors are under attack at present (the Goldman action) which may be holding the price down. On the other hand the stock may have been pushed up in 1946 by special buying.

Per share earnings of the 17 companies for their last two fiscal years and their price times latest earning ratio for their 1946 highs and for their current price is as follows:

Company	Year End	Net per Share* 1946 $	1945 $	Price 1946 High $	Times Earn.†	Recent $	Time Earn.†
Canada Vinegars	Nov. 30	1.00	0.91	19¼	19.3	14	14.0
Canadian Breweries	Oct. 31	2.35	1.32	29½	12.6	25½	10.9
Can. Car & Found.	Sept. 30	2.19	2.16	20½	9.4	13¾	6.3
Can. Food Prod.	Nov. 2	2.01	1.13	20¾	10.3	15	7.5
Catelli Food Prod.	Nov. 30	3.74	1.37	23¼	6.2	23	6.1
Conduits National	Dec. 31	0.65	0.47	8¾	13.5	7¾	11.9
Consumers Gas Co.	Sept. 30	6.33	6.91	188½	29.8	173	27.3
Dom. Glass Co.	Sept. 30	2.31	2.74	51½	22.3	41	17.7
Dryden Paper	Sept. 30	1.07	0.13	19½	18.2	17	15.9
Harding Carpets	Oct. 31	0.78	0.72	16½	21.2	10½	13.5
Kelvinator of Can.	Sept. 30	2.22	1.59	30	13.5	26	11.7
John Labatt	Sept. 30	1.73	1.70	29¼	16.9	25¼	14.6
Laura Secord	Sept. 30	0.88	0.82	24	27.3	20¼	23.0
H. R. MacMillan Ex.	Sept. 30	2.65	1.61	19	7.2	19	7.2
Molson's Breweries	Sept. 30	2.24	1.66	37½	16.7	35	15.6
S. Can. Power	Sept. 30	0.89	0.82	17	19.1	17	19.1
Western Breweries	Oct. 31	1.53	1.10	15¼	10.0	15	9.8

†1946 net per share.
*Includes refundable portion of E.P.T.

Abitibi Bond Refunding To Open Way for Div'ds

The refunding of $53,093,700 outstanding 5% bonds of the Abitibi Power & Paper Co. announced last week touched off the heaviest buying spree in over a year in Abitibi's preferred and common stock. Some 71,499 shares of $1.50 preferred, 1,410 shares of $2.50 prior preferred and 24,581 common shares traded in the week ending Jan. 24.

This carried the prior preferred and $1.50 preferred to new highs of $41 a share and $21⅜ a share respectively. The common strengthened to touch $20⅛ a share but remained under its $22¾ price of last June.

Strength in the preferred reflects the clearing of the way for the payment of preferred dividends once the old bonds have been paid off on Apr. 1, 1947, subject to the provisions of the new trust deed.

Cut Interest Requirement

The refunding arrangement made with Wood, Gundy & Co. calls for a new issue of $45 million first mortgage 3½% bonds of which $10 millions will be 10 year serial bonds due $1 million a year and $35 millions will be 20-year bonds. Selling price of the serial bonds has not yet been announced but the 20-year bonds will be offered at par. The balance required for refunding the $53,093,700 outstanding 5% bonds will come from the company's cash resources, President D. W. Ambridge has announced.

As a result of this refunding, annual interest requirement will be cut nearly 41% (from $2,654,685 to $1,575,000). The interest saving, before considering income tax on it, is equivalent to the dividend on the prior preferred, plus 68 cents of the $1.50 preferred dividend.

The new bonds will be payable principal anl interest in Canadian funds only whereas the present issue is payable in either United States, sterling or Canadian funds so that all future risks on exchange for bonds will be eliminated.

Guard Working Capital

The new issue will have a provision that no reduction of capital may be effected and no dividends paid which would reduce working capital below $12.5 million, or which would reduce the consolidated earned surplus as at Dec. 31, 1946. Despite these limitations, the payment of preferred dividends is believed likely in financial circles by mid-year.

After the use of over $8 millions cash in the refunding to reduce debt, working capital will still be over $3 millions above the $12.5 million minimum based on the Dec. 31, 1946 figure, The Financial Post understands.

Further, with operations running at capacity current earnings are believed more than sufficient to cover preferred dividend requirements. (Annual dividend requirement for the prior preferred is only $125,000 for the $1.50 preferred $2,092,908.)

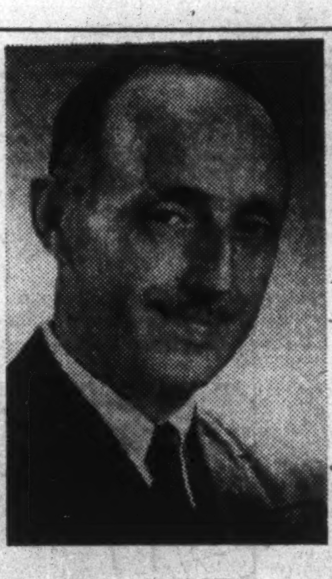
The new issue also requires certain sinking fund payments. In the first 10 years $1,250,000 of bonds shall be retired each year, including $1 million of serial bonds. In the next 10 years $1 million will be required. In addition, an amount equal to 15% of net earnings after interest for depreciation and taxes will be retired for the first 10 years and 10% for the last 10 years.

After the old bonds are retired next Apr. 1, the company will be rid of the provisions of the reorganization trust deed. In addition to clearing away for dividends, it will no longer have to elect seven Class A directors to represent the bondholders. All future directors will be elected by vote of the shareholders.

New Bonds Issued By White Motor

MONTREAL (Staff) — White Motor Co. of Canada recently sold a $1,375,000 bond issue privately through Collier, Norris & Quinlan Ltd. Bonds were dated Jan. 2, 1947, will mature serially Jan. 2 in each of the years 1949-59 and were priced to cost the company 2.83%

Proceeds from this issue will be used for general corporate purposes and to replenish White Motor's working capital for the outlays involved in financing its new Montreal head office and plant. Issue is guaranteed as to interest and principal by White Motor Co., Cleveland, the parent company. The recent issue of Series "A" bonds represent all of the bonds presently outstanding of an authorized issue of $2,500,000 first mortgage bonds and are secured by a first mortgage on the company's recently completed town of Mount Royal plant.



LEANDER MANLEY

has been appointed Secretary-Manager of the Canadian Pulp and Paper Association, Western Branch, with offices in Vancouver.

Can. Alcohol's Profits Higher

MONTREAL (Staff) — Gross operating profit of Canadian Industrial Alcohol for the three months ended Nov. 30, 1946 was $690,333 ($730,951 a year before). Net profit was $369,414, up $287,111. On a per share basis, net profit on the common stock is 33.2 cents, compared to 25.8.

The company reports that additional non-recurring income of $1,137,853 after provision for British income and excess profits tax was realized by Robt. McNish & Co., a subsidiary company in Scotland, by extraordinary sales of matured bulk whiskies to brokers at prices more than eight times that had the whisky been bottled and sold as case goods.

These sales were made to provide funds for making a partial payment on a 5% promissory note of Robt. McNish & Co. payable to the Canadian parent company in an amount of $3,934,155 and maturing November 1948. Robt. McNish & Co. has made additional sales to brokers of matured bulk whiskies for delivery up to July 31, 1947 to yield further profits of about $2.1 millions on present basis of exchange and after taxes.

The subsidiary company reportedly plans further sales to provide the balance required for full repayment of the $3,934,155 note. This program will require liquidation of more than one-third of the inventory of the company's maturing whisky stocks, it is stated.

ORANGE CRUSH CO. net profit for the year ended Oct. 30, 1946, was more than four times that of the previous year. Progress of the business is limited by sugar supply and although the year opened on the basis of 50% of 1941 usage, this quota was increased gradually to 70% at the end of the fiscal year. As a result of this and other factors, the statement shows marked improvement over the previous year, President F. B. Curry states. Any further increase in supply will be favorably reflected in sales and earnings and will expedite the company's expansion program, it is said.

No income from the United States subsidiary, Beverages International Inc., which controls Orange Crush Co. (Illinois), has been included in the annual statement. The American company has developed extensive markets in the United States, Central and South America and has for many years demonstrated substantial earning power, it is stated. With increasing supplies of sugar, future earnings should be materially increased. Activities wil be expanded particularly in large metropolitan areas. Trademarks are registered in some 75 countries.

CONS. INCOME ACCOUNT

Years Ended:	Oct. 30 1946	Oct. 31 1945
Net earnings	$460,439	$148,958
Add: Prof. assets sold	59,690	101,475
Ins. recov., etc.	88,144	......
Less: Int., etc., paid	50,387	42,612
Depreciation	98,106	110,033
Inc. tax res.	127,522	17,883
Minority int.	31,430	28,804
Conting. res.	25,000	......
Misc. chgs.	17,002	2,769
Net profit	258,826	47,332
Pref. dividend	47,749	42,000
Surplus for year	211,077	5,332
Times Interest Earned:		
Before depr.	12.07	5.88
After depr.	10.12	3.29
Earnings per Share and Dividend Record:		
Pref: Earned	†	$1.58
Paid	$1.74	1.40
Com.: Earned	*1.04	0.52
None paid.		

†Redeemed Oct. 29, 1946.
*Based on 250,000 shs. presently outstanding and before allowance for pref. dividends.

CONDENSED CONS. BALANCE SHEET

As at:	Oct. 30 1946	Oct. 31 1945
Cash & Dom. bds.	$252,413	$361,412
Accts. rec.	177,028	103,842
Inventories	399,995	276,755
Total curr. assets	829,436	742,009
Advg., prep. exp.•	102,892	95,030
Life insur. c. s. v.	23,110	27,026
Inv. in subs. & affil.	3,035,060	......
Containers	423,902	452,273
Misc. assets	54,008	41,557
G'will, franch., etc.	......	169,334
Fixed assets*	1,628,026	1,412,609
Total assets	6,096,434	2,939,838
Total curr. liab.	429,012	270,818
Cont. res., etc.	25,000	......
Excess bk. val.	6,260	......
Funded debt	1,375,000	1,450,000
Minority int.	78,700	430,801
Other liabs.	253,128	209,002
Capital stock	3,532,461	342,761
Capital surplus	68,111	118,772
Earned surplus	328,762	117,684
*After depr. of	919,226	911,872
•Included in curr. assets in co's accounts.		
Working capital	400,424	471,191

NORGOLD MINES is negotiating for additional capital to finance operations of Canadian Humus Products which showed a loss of $25,335 in year ended Aug. 31, 1946. Norgold has acquired an option on 14 claims in Groundhog River area, Ont., where a magnetometer survey is to be carried out. Current assets were $71,075 and liabilities $40,936 as at Aug. 31.

KAYRAND MINING & DEVELOPMENT CO. announce that John Scott, Toronto, has underwritten 50,000 shares at 15 cents, payable forthwith and optioned 75,000 shares each at 15 and 20 cents and 100,000 shares at 25 cents.

Car Shortage Crippling Quebec Paper Industry

Fear Drastic Curtailment or Total Shutdown — More Rolling Stock in Service Than Year Ago, But Still Not Enough

By ARTHUR STYLES

MONTREAL (Staff)—Quebec's pulp and paper industry may be forced to reduce operations or shut down entirely because of shortage of freight cars.

One mill, Lake St. John Power and Paper Co.'s 120,000 ton newsprint mill at Dolbeau in the Saguenay district, closed for 16 hours last week, because there were not sufficient freight cars to move the finished production.

Other mills are making the best of limited storage facilities, but unless the present acute car shortage is ironed out soon, the present one-million-ton pulp and paper production in that area may be drastically cut back, one pulp and paper official told The Financial Post.

Possibility that movement of paper from the Lake St. John area would be reduced before the situation improves was voiced last week by the American Newspaper Publishers' Association. It advised publisher members to consider curtailing consumption, "to prolong existing supplies."

More, But Not Enough

More freight cars are in pulp and paper mill service than a year ago, and carloadings of woodpulp, pulpwood and paper are running higher, but the industry is turning out 25% more finished products, and there aren't enough cars to go around.

Serviced only by the CNR, the Lake St. John area is in a particularly vulnerable position, being out of the way of the main railroad lines, and with freight largely a one-way proposition.

Severe winter conditions and increased mill production rates have aggravated the situation, a CNR spokesman told The Financial Post. All loadings are at a very high level and available cars are being spread to the best advantage. Special efforts are being made to meet the demands of the Lake St. John area mills. Contrary to reports, this official pointed out, the railroad has not placed an embargo on the movement of grain from the Lakehead.

Mills Affected

Mills in the Lake St. John area are: the 1,400 ton daily capacity newsprint mills of Price Bros. at Kenogami and Riverbend; the Port Alfred mill of Consolidated Paper Co. with a daily capacity of 510 tons of newsprint as well as the Dolbeau mill of Lake St. John. Though not located in the Lake St. John area, the Clermont, Que., mill of Donohue Bros., with a daily capacity of over 200 tons is also feeling the shortage, an official of the company told The Financial Post.

At the moment the Port Alfred mill of Consolidated is being obliged to store paper, and officials admit that the position is becoming hourly more acute. Earlier this week there were only eight cars available at Arvida, the junction of the CNR and Roberval and Saguenay railroads, when the company could use 55 or 60 cars, a spokesman said.

Moirs Plans Reorganization

MONTREAL (Staff) — Taking a page out of the reorganization plan recently adopted by Canada Cement shareholders, Moirs, Ltd., shareholders will be asked to vote this month on a plan which, in essence, will recognize preferred dividend arrears in full by a higher call price.

President J. C. MacKeen announced last week that the Nova Scotia Supreme Court had agreed to a special meeting of company shareholders on Feb. 20 to approve a plan designed to eliminate arrears of dividends on the 6% preference shares totalling $50 a share as at April 30, 1947. Proposal is to exchange each of the existing 6% $100 par value preferred into six new preferred shares, par value $16.66 2/3, callable at 30 days at $25 a share, and paying $1 yearly.

Actually the present preferred shareholder is entitled to $150, of which $100 is on the call price of the present preferred and $50 on dividend arrears account. In exchange, he will receive the equivalent of $100 in new par value, plus an additional $50 a share when the stock is called. Present market price for Moirs' common is $17 bid, for preferred, $134 mid.

Capitalization of Moirs Ltd. at present, consists of $657,100 of outstanding 6% 1st mortgage bonds, due 1953; 9,750 first cumulative redeemable preference shares, and 15,500 shares common, no par value.

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NEW AND REFUNDING ISSUE

$10,000,000
Canadian Breweries Limited
(Incorporated under the laws of the Province of Ontario)
Debentures
Secured by First Mortgages

To be dated March 1, 1947. To mature March 1, 1948-54 and 1967.

$3,500,000 3% Serial Debentures
due $500,000 in each year 1948-54 inclusive
$6,500,000 3½% Sinking Fund Debentures due 1967

Principal and half-yearly interest (March 1 and September 1) and redemption premium, if any, payable in lawful money of Canada at par at any branch in Canada of the Company's bankers designated in the Debentures as the paying agent for this issue. Coupon Debentures registrable as to principal only in Toronto or Montreal in interchangeable denominations of $500, $1,000 and authorized multiples of $1,000. Redeemable as a whole or in part at the option of the Company at any time prior to maturity on (30) thirty days' notice. Debentures shall be redeemed only in order of their maturity and not less than all of the Serial Debentures maturing on any one date may be redeemed by call at any one time. Redemption prices are as follows: Serial Debentures at a price to yield 2.5% on the principal amount of the Debentures redeemed to stated maturity plus a premium of 1% of the principal amount if redeemed before maturity and on or prior to March 1, 1951 or ½ of 1% if redeemed thereafter and prior to maturity; Sinking Fund Debentures at par plus a premium of 5% if redeemed on or before March 1, 1948, the said premium being reduced by ¼ of 1% for each year or fraction thereof elapsed from such date to the date of redemption until the said premium has been reduced to 1%; in each case with accrued interest to the date of redemption. The trust deed will provide for a sinking fund commencing March 1, 1955, and continuing to March 1, 1966, of $500,000 per annum for the retirement of the Sinking Fund Debentures.

Trustee: National Trust Company Limited

In the opinion of counsel these Debentures will be investments in which The Canadian and British Insurance Companies Act, 1932 (Dominion) as amended, states that any company registered under it may invest its funds.

CAPITALIZATION
(After giving effect to the redemption of $4,400,000 principal amount of Serial Debentures presently outstanding and to the issuance of the $10,000,000 principal amount of Debentures now being offered).

	Authorized	Outstanding
Debentures	$15,000,000	
3% Serial Debentures		$3,500,000
3½% Sinking Fund Debentures		6,500,000
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January 30th, 1947.

Sort Out These Public Works

It is high time municipal, provincial and Dominion governments got together and sorted out their various programs of public works. Here we are in the second year of the peace and still with only a vague idea of what big public jobs should be done first, what could and should be deferred until some temporary regional unemployment threatens.

At the recent convention of the Canadian Construction Association it was charged that five of the nine provinces admit no adequate plans for dealing with this postwar problem. Presumably there has been no real co-operation among the three levels of government.

It had been vaguely estimated that something like $400 millions of public works was waiting in Canada but there was no guarantee that this figure was not many times too low.

During the war years and since an immense amount of public works have been left undone. Men, materials and money were needed for war production and there was no worry about absorbing unemployment. Some of this work is urgent—sewers, streets, important highways, bridges, subways, repairs, hospitals, even public buildings. Some of it is definitely in a work-creating category and can be deferred almost indefinitely, or certainly until unemployment threatens.

Right now, with so much important construction needed, no project, private or public, should be started unless imperatively needed. To do otherwise would only aggravate the present bottleneck in materials and skilled labor; would send costs soaring with little actual increase in production.

Admittedly there are difficulties in the three levels of government getting together and working out a definite plan. Until the present Dominion-provincial difficulties are ironed out concrete plans will be impossible. But some understanding is imperative. There is no reason why a fair estimate cannot be made of all public works needed. That done, then the construction should be graded into three main categories of what is immediately necessary, what might be done when materials and labor are more plentiful, what can be definitely set aside to be carried out only when it has been demonstrated that it would be useful to absorb any slack in unemployment.

In dealing with this latter problem it should be remembered that public works offer no permanently satisfactory solution of solving large-scale unemployment. They are only one device in our economic system. As the Windsor Star well points out, "they must be used only as an emergency measure and they should be planned with due consideration for sound economy."

Poor Wages For the Investor

Too often labor leaders, the government and others seem to forget that employment is only made possible by the investment of savings of individual investors. Perhaps one reason is because this fact has not been stressed by company managements.

In its annual report, reviewed elsewhere in this issue, H. R. MacMillan Export Co. strikingly points out the relationship between investment, taxes and dividends for their firm by stating:

> The company's investment increased during the year to $7,746.92 for each of the 4,300 persons necessary to maintain full operations. Such an investment, constantly modernized and competitive, constitutes the greatest possible job security and guarantee of fair treatment to workers. Each unit of $7,746.92 invested to give year-round employment to an employee contributed $53.80 in the way of dividend to the shareholders.
>
> During the past fiscal year the company paid:

Dividends per common share	$0.20
Taxes per common share	$3.49
Wages per common share	$7.31

The tabulation neglects the $2,079,151 year's surplus "available for the maintenance of the business, the job security of employees and the ultimate benefit of the employees and the shareholders." This is equivalent to 23 cents a share.

But even after adding the year's surplus to the dividends the investor, who makes the business and employment possible, ranks far behind the employees and the government in compensation for his part in the enterprise.

This is a factor every company management might do well to bring out in its report. And it is one which labor leaders and government should keep in mind. Unless there is sufficient incentive there will be little investment and, savings and investment are vital factors in the well being of our economy.

Simpson's Seventy-five Years

Seventy-five years ago this month a young Scot from Newmarket, Ontario, came down to Toronto and opened a piece-goods shop. His name was Robert Simpson. Today an organization employing more than 15,000 people, with big department stores in Toronto, Montreal, Halifax, London and Regina and with a nation-wide mail order business perpetuates his name.

Robert Simpson only lived long enough to celebrate the 25th anniversary of the business he had founded, but in the late Sir Joseph Flavelle and H. H. Fudger and, since 1929, in C. L. Burton, he has had able successors.

Labor's Stake in Advertising

Maybe one of these days some labor leader will be smart enough to go to management and demand more aggressive advertising. So says C. B. Larrabee, president and publisher of Printers' Ink, U. S. advertising weekly. He writes:

> "By and large the great mass-production industries, which are thoroughly unionized, have been built to their present levels with the help of aggressive advertising. In these industries, however, we occasionally find labor men who are definitely antagonistic toward advertising. It ought to be pretty obvious to laborers, as well as labor leaders, that in order to maintain current high wages, a lot of merchandise will have to be sold. It ought to be equally obvious that one of the most economical selling weapons is sound, hard-hitting advertising."

None would disagree that this common knowledge of the economics of advertising is what "ought" to be. But an advertising man doesn't have to go into the ranks of labor to discover that what ought to be isn't.

One concrete way to set about correcting this situation is to do a basic educational job in house organs reaching a company's entire personnel. Give them an ABC course in not only advertising's part, but the parts played by each apparently expensive factor in manufacture, distribution and selling.

It would wash out a lot of arguments if everyone could be brought to see that what is spent, say on sound advertising, is not a subtraction from what could be paid in wages, but rather an insurance payment guaranteeing that there will be continuing sales to keep men on the job at the prevailing wage.

Life Insurance's Proud Record

"In Canada and, to the best of my belief, in Canada only, life insurance can make the proud boast that no policyholder in a Canadian life insurance company has ever lost a dollar through failure of a company to pay on death, or at maturity what was guaranteed to him under his policy."

So said Canada Life President S. C. McEvenue at his company's recently celebrated 100th annual meeting. It is a remarkable claim in the light of what has happened to some other promises to pay. And that it is a record recognized and acted upon by the public is evident in the report that there are more life insurance policies in force in Canada than savings accounts. Life insurance, for all its critics, has become in the past century one of our principal methods of personal saving.

A large measure of the credit for this sound reputation of life insurance is given, by Mr. McEvenue, to legislation in this country requiring government supervision of every company's transactions. That this supervision came in response to the companies' own demands is a tribute to such leaders in the field as Canada Life. As early as its 1857 annual report this company called for legislation to provide "for the periodical production by each company transacting insurance business of explicit statements of their affairs."

The life insurance business in Canada is an excellent example of what can be accomplished for the public good when private enterprise and government work together in mutual respect and confidence.

CCF Above the Law?

Back in 1940 the Government of Saskatchewan granted Alfred W. Wilson 10 years exclusive trapping rights in an area in the northern section of the province. Mr. Wilson claims that while he was absent on essential war work the CCF Government cancelled the lease and now will not give him the necessary permission to sue for damages.

The Government defends its stand on the ground that the lease should never have been granted in the first place, and that Wilson violated the terms by leaving the territory temporarily during the war. Actually, as the Winnipeg Free Press points out, these excuses have nothing to do with the case. Says The Free Press:

> "The important point is that a citizen of Saskatchewan, rightly or wrongly, feels that he has been unjustly dealt with by the Government. He is not trying to lay down the law in his own interest. He desires only to take his case to the courts. The Saskatchewan Government, rightly or wrongly, disagrees with this citizen as to the facts but proceeds to lay down the law in its own interest by refusing to permit the case to go before the courts. The Saskatchewan Government is thus setting itself up not only as the judge in its own behalf but in Mr. Wilson's behalf as well. It assumes a position above the law."

No government is fit to be judge in its own cause. Only dictatorships attempted that course and that is exactly what the CCF Government in Saskatchewan is attempting in this case. Followed through to its ultimate conclusion the private citizen would be divested of all rights and property, would be reduced to the status of a state slave.

Keep Credit Within Bounds

Installment selling has been a healthier business under WPTB jurisdiction than it was prewar, credit men generally agree. Most of them indicate they would prefer to continue doing business under some sort of rules; but they would like to make the rules themselves, through their own associations. That is readily understandable in a country that has chafed under arbitrary rulings accepted only in the presence of a national emergency.

For its part, the buying public has likewise profited by being forced to keep itself out of unreasonable debt. Like many of the credit men, Canadians by and large have seen a good example in limited installment buying. They can see benefits to their own budgets in having to put up a sizeable initial payment, to wipe out the balance within a sensible period. It kept them from fooling themselves into thinking they were furnishing a house and buying a car for next to nothing, and mortgaging their future earnings indefinitely.

It is to be hoped that neither buyers nor sellers of consumer credit will turn their backs on lessons learned under stress of war, that both will take some cognizance of recommendations by such groups as the Canadian Welfare Council, who have pointed out the social dangers of making the acquisition of both goods and debts too easy.

And Why Not, Mr. Reilly?

Canada abroad is hiding her light under a bushel—at least, that's what one recent visitor to our front offices in London and Brussels seems to think.

It may have been the fog, or perhaps the British penchant for understatement is contagious; but whatever the cause, J. Clark Reilly, retiring general manager of the Canadian Construction Association, is not impressed by the result. Recently in England and on the Continent he is reported wrathful over "our government's undue modesty."

Mr. Reilly objects to a dull brown "Canada," unimpressive and ineffectual as an English treacle pudding, labelling Canada House on Trafalgar Square. And he thinks the modest brass plate on our office in Brussels somewhat less assertive than a neon-lighted billboard.

Advertising-conscious Mr. Reilly would have our flag—"whatever one we use"—flying from all our government buildings every day. He'd use colorful paint and bright lights and all the tricks of the trade.

"Let us have no more of this false modesty," he exhorts. "We spend thousands of dollars in other forms of advertising. Why not raise our heads on our own buildings abroad?"

Post Scripts

Rewards to Experience

A continuation of International Petroleum Co.'s general policy of promoting men who have had experience in the fields where the company operates is seen in the two appointments announced last week. Orby Clinton "Jimmy" Wheeler, formerly director in charge of exploration, was elected a vice-president; Walter Stewart Reid, formerly International's executive representative in Peru, was made director in charge of public relations.

Both men have wide and varied field experience in South America and bring to their new posts scientific and foreign business experience

MR. WHEELER

Friendly, likeable but quiet, Jimmy Wheeler was born in October, 1898, in Gainesville, Texas, U.S.A., where his father was a minister in the First Christian Church. He secured his undergraduate and postgraduate training at the University of Texas and Leland Stanford University, where he was elected to Phi Beta Kappa, foremost honorary scholarship society of U. S. colleges.

Wheeler served with the U. S. Navy during World War I and worked with the Texas Bureau of Economic Geology and Technology and with the U. S. Geological Survey before joining International Petroleum as an assistant field geologist in 1921.

From 1921 to 1930 Wheeler was engaged in various types of oil exploration and development work in Colombia.

In 1930 Wheeler came to Toronto as a member of the geological staff under Dr. O. B. Hopkins, but spent a considerable part of each year visiting geological and geophysical operations in Colombia, Ecuador and Peru.

Appointed International's chief geologist in 1937, Wheeler continued his field activities in South America. When International acquired interests in Venezuela he became familiar with Venezuelan exploration problems and during this time also became active in Imperial Oil's exploration for oil in Canada. In 1942 he was named assistant chief geologist of Imperial and two years later became chief geologist in charge of Imperial's Canadian exploration in addition to being chief geologist for International. Elected to the Board of Directors of International Petroleum in 1945, Wheeler a short time later relinquished his Imperial appointment

Wheeler is a member of the American Association of Petroleum Geologists, the American Institute of Mining and Metallurgical Engineers and the Canadian Institute of Mining and Metallurgy, Granite Club, Lambton Golf & Country Club, and the South Magnetawan Hunting & Fishing Club. Interested in all outdoor activities, his chief hobbies are hunting, fishing, golf, skeet shooting (his record is 23 out of 25), and he has recently taken up curling.

Big, affable, approachable Walter Reid gives his Scots ancestry away as soon as he starts talking. Born in Glasgow in November, 1892, he attended Hill Head School and took an extension course in metallurgy at the same time. On graduation Reid went to Peru with Backus Johnston & Co. (who sold out about 1917 to Cerro de Pasco Copper Co.).

MR. REID

On the outbreak of World War I Reid returned to England and, after taking an officer's training course, served with the Highland Light Infantry as company commander, being wounded at the second battle of Arras.

After the war Reid returned to Peru, being connected with Sir Albert Bennett's mining interests (as his former company had been sold).

During a visit to Canada on his way back to England for a holiday in 1921, Reid was persuaded to join International Petroleum Co. After two years in Toronto he was sent to Peru in 1923. From 1932 to 1940 he was executive representative in Peru for International. In January, 1940, Reid transferred to Standard Oil Co. of Venezuela as vice-president in charge of public relations, but returned to his previous job with International Petroleum at the end of 1942. Returning to Toronto just before Christmas, he was promoted to his present post, which will still require him to keep in close touch with all South American activities.

Reid, however, is not unknown in Canada as he has returned for a time each year since he went to Peru, and since 1941 has owned a summer cottage at Cedar Beach (near Beaverton), Lake Simcoe.

Reid is an ardent fisherman and golfer. He is particularly fond of bass fishing but says that there is some of the finest big game fishing in the world in Peru, swordfish, marlin and tuna. Reid belongs to several clubs in Peru, the Sports Club, London, England, the Granite Club, Toronto, and plans to join a Toronto golf club.

* * *

Stop Me If—

A businessman leaving a convention walked up to the hat-check girl to claim his hat. Before he said anything, she handed it to him.

"Well, well, well," he chuckled jovially, "how do you know that's my hat?"

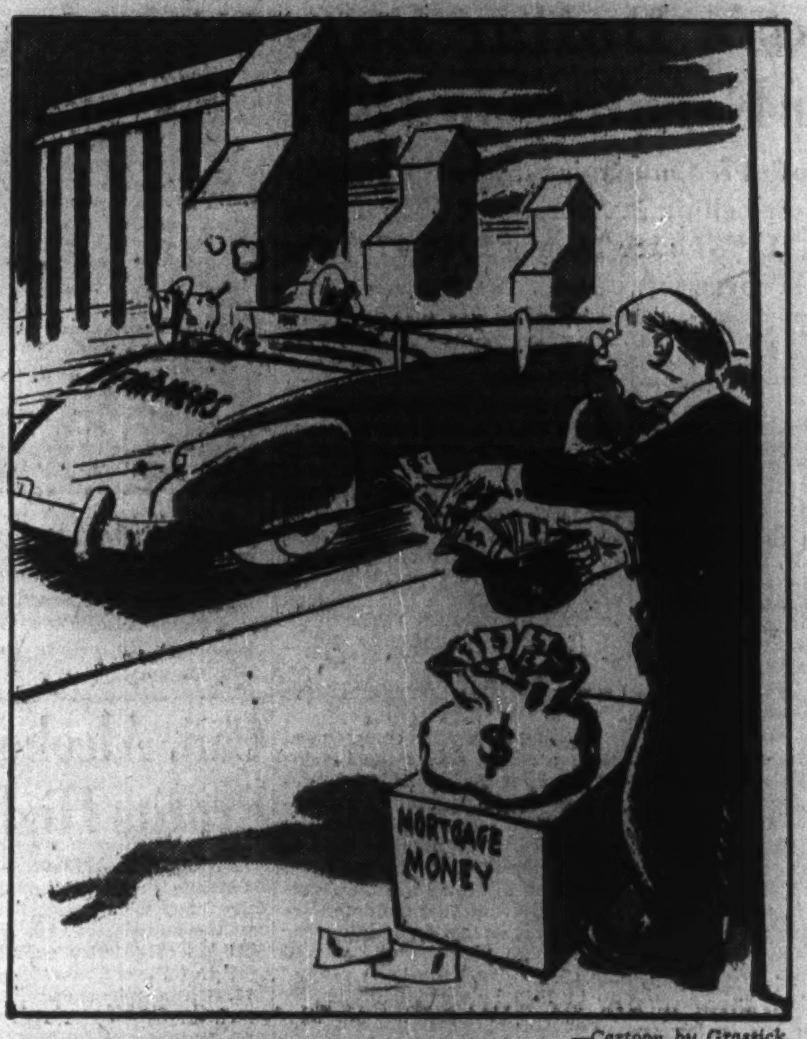
"I don't," was the cool answer, "but that's the one you gave me!"

* * *

The mother of a careless little girl constantly corrected her, telling her to keep her things in better order. Her mother's warnings had little effect.

One day, however, her mother came home and found the little girl frantically putting everything in place. Her mother, rather astonished, said, "You are doing a wonderful job; what made you decide to put things in such good order?"

The little girl said, "Why, Mother! Didn't you see the story in the paper about two girls being arrested and put in jail for having a disorderly house?"



—Cartoon by Grassick.

NEWS ITEM—Western farmers have paid off almost 70% of mortgage indebtedness in last eight years and general agricultural prosperity at peak.

Profit Sharing Can Be Improved

Profit - wages Relationship Should Be Clearly Explained In Terms Labor Understands

There are good reasons for using incentive wages or profit sharing to try to bring industrial workers into the plant as partners, observes Peter F. Drucker, U. S. economist and author, in a recent article in Harper's Magazine. For the greatest long-term threat to our political and economic system is the worker's opposition to increased efficiency and profits. But Author Drucker finds many misapplications of this principle. Here are extracts in which he offers a constructive criticism of profit sharing methods. The Financial Post reprints this because it will be of interest to readers of The Post's current "Partners in Industry" series.

In a recent survey conducted by Claude Robinson of Princeton, the great majority of workers expressed the belief that profits run "at about 25%"; and from the context it was clear that the men were talking of net profits after taxes. Regardless of whether the worker thought of profits in relation to sales or to invested capital—the survey was rather ambiguous on this point—the estimate is obvious nonsense. Actually, industrial profits range, on the average, between 1% and 10% of sales and average just about 5% on invested capital in a good year. And it takes no public opinion survey to know that the great majority of our workers are fully and deeply convinced that the employer's profit per worker is considerably higher than the wage the worker gets. Actually, profit after taxes (and the worker is realistic enough to know that taxes are not part of the employer's profit) runs on the average between 7% and 14% of the wage bill in good years, much less in bad times.

The problem is thus to give the worker an understanding of the nature and the importance of increased productive efficiency and of profits, and to give him a real interest in both. This, however, most financial incentive plans in use today fail to do adequately—largely because management fails to see things from the worker's point of view.

Most plans—and this applies to incentive wages as well as to profit sharing—can offer the worker only comparatively small payments. Only in a young industry is there usually enough room for rapid technological improvement, and enough chance for a rapid growth of the business, to permit substantial payments of incentive wages and worker-shares in profits over any period of time. This is the secret of the much propagandized success of the wage incentive plan of the Lincoln Electric Company in Cleveland, and the reason why this plan is unlikely to yield great results if applied by old established companies working in a technologically well-explored field.

Another difficulty with profit sharing is that under most of the plans in use at present the worker receives a dividend when he needs it least, namely in good years; and he receives nothing when even a small sum of money would be of real importance to him, namely in bad years. This is the reason why so many profit-sharing plans prove complete duds.

To be successful an incentive wage or profit-sharing plan must overcome these difficulties. First it should relate corporation profit directly to the individual worker so as to show (a) the relationship between his wage and profit and (b) the relationship between his efforts and his share. As long as a profit-sharing plan gives the workers a share in the profits—for instance, by providing that all profits over and above 5% of invested capital be divided equally between company and workers—the worker will continue to contrast his individual wage of $2,000 a year with the total company profit of $20,000,000 or $200,000,000 a year. And no power in the world will ever be able to convince him that $55 is all that he can legitimately expect as his share in that astronomical figure. (The attempt usually made by companies to show to the worker that a $200,000,000 profit has to be divided among 500,000 shareholders is pathetic; to the worker the shareholder is a remote abstraction, whereas "the company" is a reality.)

The proper way would be to make an accounting to the worker which would show him profit in relation to his wage and his output, and which would base his share on these relationships too. Instead of being shown his $2,000 wage in relation to total corporation profits, he ought to be shown—the concrete figures I cite here are those of a steel company in 1940—that the average worker in the plant during the year produced $5,200 worth of goods, of which $1,800 were paid out in wages to the worker; raw materials and overhead consumed $2,500 per worker; and this left $900 per worker—or $300 each for depreciation, taxes and profits per worker. With a capital investment per worker of $4,000, a 5% return on the invested capital would take $200 out of profits, leaving $100 to be split half-and-half between worker and company.

In the same way—perhaps with better results—a "normal" relationship could be established between labor cost and output, with the worker receiving a proportion of any "surplus profit" resulting in increase in output per worker.

But even that will not do the trick unless the distribution of the profits as bonuses is tailored to the requirements of the worker and to his desires. Unthinkingly, most profit-sharing and incentive wage schemes assume that the worker looks upon his profit participation in the same way that a stockholder looks upon his dividends, namely as a source of individual income. What little experience we have shows this assumption to be incorrect.

At the American Cast Iron Pipe Company in Birmingham, Alabama, for instance, the workers are the sole owners of the business; year after year they have decided to leave the profits in the business or to use them for such community projects as housing, rather than to distribute them in individual shares.

The worker should probably have a chance to choose between alternative ways of distributing or using his share in the profits; and he or his representatives should always take an active part in the preparation of these alternatives. We shall always have to give him an option to withdraw his money or to borrow up to his share (at low interest rates) from the fund—the way we treat insurance dividends to policyholders. But he should also have a chance to use these sums of money to create a health fund, a hospital fund, or possibly an employment fund for depression times.

One principle only should always be insisted upon: the workers of the plant should decide themselves how the money is to be used, and the administration of any fund accumulated out of workers' shares in profits should be largely entrusted to the workers, with management participating but primarily in a technical capacity.

What Others Are Saying

Editorial of the Week

More People — More Opportunity

Vancouver News-Herald

Opposition to immigration rests on false assumptions. Other things being equal, people provide their own means of employment. The larger the population, the greater the diversity of jobs. The assumption that new population would necessarily increase unemployment has no basis in fact or experience.

Unless immigrants find opportunity wide open when they get here, they will certainly swell the ranks of the unemployed. If opportunity were wide open, there would be none of the unemployment among existing population which is urged as an objection to immigration. Both sides should be concerned with opening up the opportunities of employment.

Unemployment is almost inconceivable in a land where men are equal in their right of access to natural bounty; where men are free to produce and to own what they produce; where they are free to spend or to invest or to exchange without interference or penalty; and where they benefit individually by the expenditure of individual effort.

If Canada's natural resources are kept wide open, if there are no impediments to the investment of capital, if production and exchange proceed to the maximum of capacity, if men are free to earn what they can and to keep what they earn, there are no dangers in allowing an influx of assimilable immigrants from Europe.

Other People's Views

THE DOMINION-PROVINCIAL tax squabble will be solved, predicts the **Windsor Star.** "The Dominion, after all, has nothing to lose. By one means or another it will get the money. So will the provinces, of course, and surely no one needs be told whence it will come."

ANY WAVE OF TAX EVASION should be blamed on the Government, asserts the **Vancouver Province.** "Taxpayers are resentful of the one-way penalty system. They are penalized if they are a day late in making payments but they get no dividend when the Government holds rebateable portions a year and more. This evasion by the Government encourages evasion by the taxpayer. The income tax department cannot escape the blame if a reprehensible situation is arising."

ARE LIVING COSTS higher in the United States than in Canada? The **Ottawa Journal** is rather sceptical. "Let us not be too sure of it. Living costs in a city like Ottawa may be less than living costs in a city like New York. But New York is not the comparison. The comparison, to be worth anything, is with United States cities of Ottawa's population—with, say Wilmington, Pennsylvania, or Fort Wayne, Indiana. We are not at all sure that when everything is taken into account—such things as clothing for women and children, home supplies, electrical appliances, refrigerators, radios, motor cars—the comparison is not in favor of the United States. Thus without considering taxes and Canada's high costs of climate."

ARTIFICIAL DEVICES for encouraging farm production look good enough on paper and agricultural politicians do a lot of talking about them, remarks the **Regina Leader-Post.** "But their practical application is something else. The sooner the West can get down to a straight basis of profitable production at the going price, the better it will be for all concerned."

"IT WASN'T "EASTERN MONEY" the Federal Government spent on prairie relief, points out the **Winnipeg Free Press,** "it came from the whole nation and even if most of it was collected in central Canada a large proportion of it was created elsewhere. No part of the nation creates more wealth than the prairies but revenues based on it are collected in central Canada because the money flows there. And if, under the scourge of drouth, the prairie production drops and its people need temporary aid to live, they are only getting back a little of their own money."

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Feb. 1, 1947

Kitchen First Target of Industrial Designers

Canadian Factories, Stores Back Streamlined Simplicity

By ROBERT R. ROBINSON

How is Canada's infant profession, industrial designing, coming along? Is it a strong enough youngster yet to make its own way in the pay-off-or-else world of manufacturing and merchandising?

Artist-engineers, which is basically what designers for industry must be, are doing very well in the U. S. with their Society of Industrial Designers, formed in June, 1945; and in the United Kingdom, where a Council of Industrial Design is functioning. In Sweden and Finland, also, where fine design and mass production first got together in modern furniture making, real progress is evident.

Canadian designers, who got off to a much later start, have just announced a tentative group, an Affiliation of Canadian Industrial Designers, comprising nine experienced men—about half the number known to be seriously interested in this work in Canada. The Canadians have a lot of catching up to do in winning recognition and general acceptance.

Since V-E Day, Canadian designers have been getting increasing support from manufacturers vitally concerned with finding highly marketable postwar products, from customer-wise department stores, from university schools of architecture, and from forward-looking government officials at Ottawa.

Supporting Design Development

Last month a large section of The T. Eaton Co.'s College St. store in Toronto was taken up with Ottawa-sponsored "Design in Industry" exhibition. The Eaton people think it well worth its cost in space and effort, so much so that they are taking it to their Winnipeg store this month, and their judgment is backed up by Henry Morgan & Co., Montreal, who gave it showplace in December.

Moffats Ltd., Weston, Ont., see advantages from the manufacturers' angle in promoting good functional design here. They are now co-operating with the University of Toronto school of architecture in setting a practical project for students. The project involves redesigning a portable plug-in cooking unit.

McGill University took notice of the subject early in December with an extension course lecture on "Art and the Things You Use." Lecturer was Donald W. Buchanan, special projects supervisor for the National Film Board and organizer of the "Design in Industry" exhibit.

Recently the Ontario Association of Architects went out of its way to feature industrial design at its annual meeting. It brought Walter Dorwin Teague, dean of American industrial designers, from New York to address its concluding dinner in Toronto.

Exhibition Major Contribution

Other educational work is going ahead at the Ontario College of Art, in its School of Industrial Design in Toronto, and in Quebec's Ecole de Meuble and Ecole de Ceramique. It is generally conceded, however, that the major contribution to a public understanding of industrial design methods and purposes to date, is to be found in the "Design in Industry" exhibition.

This was pulled together from design and manufacturing sources across the whole breadth of Canada, in a nine-month effort by Buchanan. Although headed up by a Film Board man, the project is actually a joint affair, made possible by co-operation of the National Gallery of Canada, the National Research Council, and the Department of Reconstruction.

"Stress has been laid on goods which everyone wants and should be able to buy at prices they can afford to pay," Buchanan told The Financial Post. "The aim is design for use, design for the millions. Good design in manufactured objects today means a combination of simplicity, fine proportions and functional utility."

Kitchen Equipment Our Forte

From his work on the exhibit, Buchanan concludes that Canadian designers are strongest in kitchen equipment. Pleasing appearance is not the primary purpose in this field, yet it is an attribute of most contemporary stoves, ranges, sinks, refrigerators, kettles and saucepans. He suggests that similar design progress should be possible for Canadians in most of our other fields of manufacture, "provided architects or industrial artists and technicians work closely together in studying practical problems."

The "Design in Industry" show is itself divided into seven categories—wood products, plastics, glass, ceramics, lighting fixtures, metals, textiles. In a booklet, "Design For Use," written to explain the exhibition, Buchanan sums up Canadian attainments in these several spheres. A summary of his findings follows:

Wood Products — Most Canadian factories concentrate on "period" designs, with few distinctly Canadian motifs except recent habitant styles from Quebec. When modern patterns are followed, they are usually acquired from the United States. Only truly functional innovation available is appearing in sectional upholstered living room suites.

Laminated plywood chairs, based on American models, are being manufactured in Vancouver, getting general distribution slowly. National Research Council labs have produced a plywood nesting table of pressure and heat molded plywood, a method used in wartime airplane fabrication.

Best examples of functional design in wood products to date are found in sports goods—canoes, hockey sticks, tennis racquets, skis—and toys.

Plastics — Potentially, Canada is equipped to produce all plastics, but only the vinyls or polystyrene are made in quantity at present. Some eight basic types are commonly used by manufacturers here.

Good applications are fairly numerous in Canada. Some are based on original designs, as in several improved handles for electric irons and in kitchen accessories. One such item, attracting much attention, is a utility mug, made originally to meet Royal Canadian Navy requirements.

Glass — Tumblers of good design are being machine-made here, made to sell at five to seven cents each. Few individual glass blowers are still employed in Canada; almost the only hand-blown object still made for general distribution is a water bottle for table use.

Household objects of bent glass are made from flat sheets in Toronto, and sold plain, sand-etched, or painted. Spun glass and glass fabrics for insulation and draperies are now made here. A Leaside, Ont., plant which produced fine optical and scientific glass during the war, has turned to ovenware.

Ceramics — Canadians have only recently been commissioned to do original designing in heavy porcelains for sanitary fixture use. A considerable ceramics industry exists in Canada, with sanitary fixtures and electrical insulation porcelains among its most important products.

Sectional furniture, simple in line, easy to add to, is a bright spot in the field of Canadian design. This is clearly design for use—prime object of the modern designer's art. This functional furniture fits both apartment and budget, can be added to as both grow. It is featured in the "Design in Industry" exhibition.

Decorated porcelain tableware is made from imported clays in Hamilton, Ont., following traditional or derivative patterns; yet individual potters are turning out interesting native designs on a handicraft basis, which might be acceptable commercially.

Large quantities of utility tableware are now being made in Alberta from native stoneware clays. Some good colors and shapes are sold, but much of it is of little interest from the point of view of design. Clear design is evident in such utility items as cereal bowls, cups and beer mugs, made with domestic clay in Quebec.

Lighting Fixtures — In Canada, every extreme of ornament seems to be favored by the manufacturer; yet, two companies which have concentrated upon making simple, undecorated wooden bases for lamps, report a great and increasing demand. Another plant, in Brantford, Ont., has been turning out some good functional models in desk lamps of steel.

A department store drew up its own blueprints for a new type of aluminum wall reflector and, by guaranteeing quantity purchases, was able to persuade a manufacturer to produce its improved design.

Canadian achievements in fluorescent light fixtures are not exceptional, although our engineers started on a fairly even footing with their U. S. contemporaries. There have been attempts to add decoration to these fixtures, but decoration defeats the purpose of fluorescent lighting, which should be unobtrusiveness.

Metals — There has been, more often than not, a time lag between metallurgical development and utilization of such developments by manufacturers. For example, following Dr. Lloyd Pigeon's new method of extracting magnesium from dolomite, which permits large-scale manufacture of this metal in Canada, only one or two original applications of magnesium in consumer goods have been made. The problem here is one of design.

Reconversion problems have produced a few excellent designs in other metals; for example, an aluminum garden chair in Montreal. In the railway equipment field we are most advanced, with developments like the Monel-metal two-basin washstand for passenger coaches. A light steel casting rod, made in Galt, Ont., and the Saniboy kitchen garbage container, made in Waterloo, Ont., are two other examples.

In aluminum, the exhibition shows, besides kitchen utensils, some good salt and pepper shakers, plain trays, cigarette lighters, a light but sturdy utility jug, improved camera tripods and toys. In brass hardware there are a few good functional patterns; and in copper, some excellent bowls, trays and tobacco jars.

Our newer types of office equipment in steel are of satisfactory pattern, but not always original, as the designs are largely based on U. S. prototypes. On the other hand, because of special requirements, some definitely Canadian work has been done in making metal furniture for hospitals.

Textiles — Canadian mills turn out a variety suitable for use in home decoration. Yet practically all patterns used on Canadian looms are derived from foreign models; despite the fact that original designs and color schemes devised by handicraft weavers in Quebec and the Maritimes are excellent and could doubtless be adapted in some cases to mass production.

As for commissions to artists by textile companies, one of the rare examples found was for two Canadian prints, for dress goods, manufactured by a Montreal firm.

Imagination Plus Knowledge

Buchanan concludes in his review that the urgent problem for the new profession today is one of linking talent in design to technical understanding.

"To move too quickly and to adopt half measures, is to work more harm than good; especially with the training of designers," says Buchanan. "Their education, while emphasizing studies in the principles of fine form and just proportion, must allow for a much wider base of social and technical understanding than our present art schools provide. The designer, specializing in this field, must obtain, either through schooling or apprenticeship, enough technical background to enable him to grasp quickly the requirements of tool makers and plant engineers, and to work in close co-operation with them.

"The industrial designer concerns himself with construction blueprints for the making of patterns or molds, while at the same time he has to think forward in terms of the appearance and utility of the finished object. Thus he must combine imagination with technical knowledge."

Hinde & Dauch Co. Expanding in U. S.

Hinde & Dauch Paper Co., manufacturers of corrugated shipping boxes and packing materials, has selected the Buffalo factory for a $400,000 expansion project to meet anticipated future demands for its products, President Sidney Frohman announces. A site adjacent to the present plant was acquired and construction now under way will provide 162,000 sq. ft. of manufacturing space.

Purchase of new machinery will represent a considerable portion of the expansion cost, the president says. Plans include a modern new office for both operating and sales staffs, and a well-equipped package laboratory.

The company has operated its Buffalo plant since 1930. It has 23 mills and factories throughout the United States and Canada.

For Sale

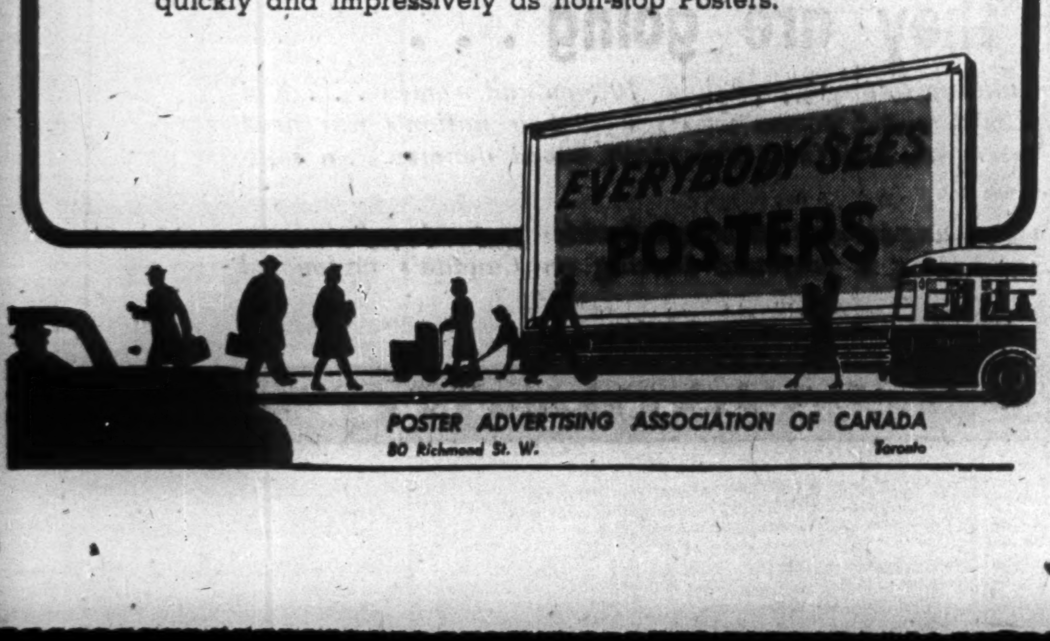
The ability to create and the facilities to produce effective advertising in all media.

Inquiries invited from those having authority to make decisions.

Thornton Purkis

ADVERTISING COUNSELLOR

330 BAY ST. TORONTO
ADELAIDE 3762



POSTERS —
THE NON-STOP MEDIUM

For People on the Go

Two seconds is the average reading time of a "24-sheet" Poster. Thus, people in vehicles and on foot absorb your message without pausing.

Posters are the natural way to register with hurrying throngs in these days of extra busyness. No other medium can convey your message to the masses as quickly and impressively as non-stop Posters.

POSTER ADVERTISING ASSOCIATION OF CANADA
80 Richmond St. W. Toronto

GOVERNMENT
AND
CORPORATION
SECURITIES

Enquiries Invited

A. E. AMES & CO.
LIMITED
Business Established 1889
Toronto, Montreal, Winnipeg, Vancouver, Victoria, New York, London, Eng.

LET'S SEE THEY HAVE
Fun!
Labatt's

They used to come in hundreds to Ontario to ski, our friends from the States. For their sakes *and* our own, let's all do our best to bring them back . . . and give them a good time when they come!

IT'S EVERYBODY'S BUSINESS
. . . it's good business!

Ontario profits almost as much from tourist business as from gold mining. It's up to us to keep this business growing.

Every tourist dollar is shared . . . 1. Hotels; 2. Stores; 3. Restaurants; 4. Taxes, etc.; 5. Amusements; 6. Garages.

"Let's make them want to come back!"

PUBLISHED IN THE PUBLIC INTEREST BY JOHN LABATT LIMITED

Selling begins at Home!

In Montreal—ONE paper—the Montreal Star — gives advertisers complete coverage of the rich, influential English market — PLUS — careful, unhurried home readership in the evening when sales are planned and decided. Only through the Star can you get such an audience and such sales response for your advertising.

★

The Montreal Daily Star
"Canada's Greatest Newspaper"
MONTREAL CANADA

COMPANY REPORTS

HARDING CARPETS net profit for the year ended Oct. 31, 1946 was up 26.4%. In spite of operating and raw material difficulties, the shortage of skilled employees and the problems incidental to the transition from a war to a peacetime economy, the financial statement shows the best earning record since the company's inception, President John S. Dickson states.

World markets for principal raw materials—carpet wool, tops, cotton and jute—are unsettled. It is expected 1947 supplies will be adequate although there may be severe price fluctuations.

Company's volume of carpet yardage for 1946 went 72% to regular outlets and 28% to contract markets, it was stated. Imports, mainly from the United Kingdom and British India, are coming into the country in greater volume and will undoubtedly affect the carpet trade.

Generally speaking the outlook for 1947 appears better than that for 1946, the president said. Customers, however, will still continue on a quota or ration basis.

INCOME ACCOUNT

Years Ended Oct. 31:	1946	1945
Net earnings	$438,355	$424,673
Less: Depreciation	95,019	79,202
Int. on deb.	16,455	17,233
Inventory res.	14,581	......
Prov. for taxes‡	134,000	213,000
Add: Adj. invent. res.	......	25,778
Net profit†	178,300	141,016
Less: Dividends	69,361	41,209
Surplus for year	108,939	99,807
‡Incl. refund EPT	1,100	25,200

†Note: Co's. report includes ref. EPT in net profit and surplus for year.

Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$0.77	$0.61
Incl. ref. EPT	0.78	0.72
Paid	0.30	0.20

CONDENSED CONS. BALANCE SHEET

As at Oct. 31:	1946	1945
Cash & Dom. bds.	$4,250	$138,608
Accts. rec.	427,369	448,157
Inventories	1,669,489	1,338,662
Total curr. assets	2,101,108	1,925,427
Inv. at cost, less w/o	94,140	98,640
Misc. assets▲	156,275	143,480
Fixed assets*	1,091,476	1,021,774
Total assets	3,442,999	3,189,321
Bank loans	249,087	......
Accts. & tax. pay. etc.	295,709	390,863
Debentures due	20,500	19,500
Total curr. liab.	565,296	410,363
Inventory res.	354,384	339,803
Funded debt	388,500	409,000
Capital stock	1,069,542	1,069,542
Capital surplus	279,396	279,396
Earned surplus▲	785,881	681,217
*After depr. of	1,592,005	1,531,215
▲Incl. refund. EPT	78,015	73,601
Working capital	1,535,812	1,515,064

WATERLOO TRUST & SAVINGS CO. net profit increased to $112,513 in 1946, after providing $45,000 for taxes ($100,005, after $40,000 provision in 1945). The company experienced a considerable increase in business. Guaranteed funds jumped $3,924,187 and estates and trusts accounts rose $893,201, even after distribution of a considerable number of estates during the year. Total assets under administration amounted to $34,390,009.

The company purchased business block adjoining office premises at Kitchener, which will provide space for future expansion.

	1946	1945
Liab. to pub., etc.*	$20,861,796	$16,899,029
Shareholders' equity	2,126,734	1,455,084
*Secured by:		
Mtges. & sales agree.	5,766,808	5,284,260
Office premises	324,190	228,157
Realty for sale	32,169	33,746
Liquid assets‡	16,865,273	12,809,950
Total	22,988,530	18,354,113
‡Includes bonds and stocks.		
Estates account	11,401,479	10,508,278
Earnings per share	*$7.50	$10.00
Paid	5.00	5.00

*Based on 15,000 shs. outstanding; 10% in 1945.

TORONTO MORTGAGE CO. reported net profit of $99,327, after provision of $55,000 for taxes, in 1946 ($102,995 after $57,000 tax provision in 1945). Interest on mortgage loans and income from other investments including net rentals from office premises totalled $247,961 in past year ($264,438 in 1945).

Earned surplus increased from $127,064 to $133,562. Reserve fund remained intact at $1,165,002.

	1946	1945
Liab. to public, etc.*	$2,337,435	$2,421,609
Shareholders' equity	2,285,065	2,278,567
*Secured by:		
Mortgages	3,297,302	3,416,165
Office premises	45,000	45,000
Liquid assets†	1,280,198	1,239,011
Total	4,622,500	4,700,176
†Includes bonds, stocks and debentures.		
Earned per share	$5.03	$5.22
Paid	5.00	5.00

THE ONTARIO LOAN & DEBENTURE CO. net profit was $225,325 in 1946, after providing for 1946 income tax of $148,000 ($225,910 after $145,000 provision in 1945). There was substantial growth in business, President Archibald McPherson, states. Deposits increased by $1,133,146 and debentures by $564,916.

Urban real estate market for old as well as new houses was very active. There was a large number of dwellings and commercial buildings erected in 1946 which created a better demand for mortgage money resulting in an increase of $1,845,523 to $13,133,506 in mortgage investments. Market value of government bonds held is substantially higher than original cost at which same are taken into account in the balance sheet.

	1946	1945
Liab. to public, etc.*	$17,011,712	$15,308,741
Shareholders' equity	4,516,430	4,516,105
*Secured by:		
Office premises	90,000	90,000
Mortgages	13,133,506	11,287,983
Realty for sale	10,664	34,254
Agree. for sale	82,560	135,864
Liquid assets‡	8,211,412	8,276,745
Total	21,528,142	19,824,846
‡Comprises securities, loans on securities, deposits and cash.		
Earned per share	$5.63	$5.65
Paid	5.00	5.00

TORONTO GENERAL TRUST CORP. disclosed a net profit in 1946 of $393,013, after provision of $135,000 for taxes and $27,500 contribution to staff retirement plan ($347,498, after $100,000 provisions for taxes and $25,000 for pensions in 1945). Total assets under administration increased $18,714,767 to $296,256,212. An investment reserve totalling $500,000 was released from reserves previously set up. Dividends were increased from 1¼ cents to 1½ cents a share, quarterly, in 1946.

	1946	1945
Liab. to pub., etc.*	$21,777,208	$19,285,843
Shareholders' equity	5,776,677	5,150,999
*Secured by:		
Mtges. & sales agree	6,946,943	7,490,258
Realty for sale	63,338	166,604
Office premises	1,535,000	1,537,000
Liquid assets‡	19,008,604	15,222,980
Total	27,553,885	24,416,842
‡Includes bonds and stocks.		
Estates account	268,702,327	253,124,604
Earned per share	$13.10	$11.58
Paid	6.00+1.00	5.00+1.00

TOWNSHIP OF LOUTH, Ont., new issue of $75,000, serial debentures, due Feb. 1, 1947 to 1967, has been sold by Collier, Norris & Quinlan. Price to the township was 102.81 to yield about 2.70%. Proceeds are for school purposes.

What happened to Captain Jim?..

What happened to Navy Lieutenant Joe . . .

. . . to Squadron Leader Harry . .

. . . and to Corporal Mary and their hundreds of thousands of comrades who, a little more than a year ago, were engaged in the business of war?

Well, here's what happened to 40 of them.

They re-entered civil life via "on-the-job" training and refresher programs in the various offices of McKim Advertising Limited.

Did they succeed?

Yes, overwhelmingly!

These 40 men and women brought back with them a war-stimulated maturity that has made them the finest source-material of tomorrow's leaders in advertising that this (or any other) agency has ever had.

in detail...

here's what happened to 40 of them...

Trooper STAN AMEY was production manager at McKim's (Toronto) and now holds same job in Montreal

Captain BILL ANGUS, M.C., was with 48th Highlanders. Now he's a McKim account executive.

Able Seaman WALLY BARBER left McKim's Art Dept. to go RCNVR, returned to his desk in '45

Lieut. JIM BEDFORD, RNVR, enlisted from a British ad agency, returned to Toronto (and McKim's) as account executive.

Lieut. TOM BLAKELY, RCNVR, was a newspaperman pre-war. Now he's on McKim's copy staff.

Sgt. FRANK BOLGER has been a bookkeeper in the Toronto office since his army discharge.

Leading/Coder GIRARD BURROWS was in McKim's Media Dept. before joining RCNVR. Now he's in Radio.

Captain BOB CAMERON joined army from Varsity. Is now junior account executive at McKim's.

Cpl. ALICE CHRISTENSEN left high school to join the CWAC, came to McKim's as typist on return.

Sgt. EVELYN CHUTE, cost accountant [illegible] before joining RCAF (WD). She's a McKim's stenographer.

Petty Officer AL CLARKE was a McKim's clerk when he enlisted. Now he's in the Media Dept.

Capt. ED CLEMENTS joined the army on university graduation. Now he's an account executive.

Sq/Ldr. JIM COLLIER, DFC, is now chief of Toronto Art Dept. He joined McKim's in '38 as junior artist.

Lieut. DICK DALTON left McKim's to enlist as a seaman. Now he's with our Toronto office.

Cpl TERRY DUDDERIDGE joined the British A.T.S. in '38; came to McKim's as secretary

LAC BILL ELLIS, RCAF, was in Engineering, University of Manitoba. Now he's on McKim's copy staff.

F/O EVERETT FERGUSON was a McKim's junior when he enlisted. Now he's an account executive in our Winnipeg office

F/O BILL GENT was in advertising before enlistment. He is now an account executive at McKim's.

Ldg/Wren ALLISON HALL joined WRCNS in '43. Now a McKim's stenographer

Lieutenant "PAT" HARDY, RCNVR, former citrus fruit rancher, now in Copy Dept. at McKim's.

WAG. WARREN HAUCH, RCAF, production manager, Toronto. He joined McKim's in '41 as a junior.

Capt. LOYAL KELLY, Army Staff Officer, '41-45, came to McKim's as senior client contact.

Sgt. STEWART LUNAN left McKim's to join the Guards. Now he is a junior account executive.

A/Seaman JULIAN MAGER, joined RCNVR from school. Now in McKim's Production Dept.

W/O1 BOB MATHESON, RCAF, was the assistant manager in McKim's Order Dept. He's in Media now

Ldg/Sto BRUCE McLEAN, R.C.N.V.R., a former business teacher, joined McKim's Toronto as office mgr.

S/Lieut LES McMARON joined McKim's as junior in '35, the navy as Ord/Smn. Now account executive.

Lieut.-Col. BILL MILLS served as Assistant Adjutant General before coming to McKim's as a senior account executive.

Ldg/Smn. EVAN MORTON came to McKim's copy staff after eight years in London's Fleet-Street

Capt KEN MUIR left McKim's (Toronto) to enlist as private. He's back as account executive.

Lieut. DENNIS O'SULLIVAN was ad-man before joining Canadian Intelligence Corps Now he's a McKim's writer.

Capt. "MICKEY" PHAIR joined army from Varsity. Now he is with McKim's Production Dept.

Wren EDITH PHILLIPS enlisted from McKim's in '43, came back as a typist after discharge.

Staff Sgt. RUSS PHILLIPS was in McKim's Order Dept. He's back as department supervisor.

Able Seaman BOB POWELL left school to join RCNVR, he came to McKim's Radio Dept. on discharge.

Sig. T/O WES RICHARDSON left McKim's Media Dept. to join RCNVR, came back as junior account executive.

Cpl. W. J. SANDSTROM, RCAF, asst. advtg. mgr. prewar, joined up. Now with McKim's Vancouver.

L/Wren AUDREY SOWERY is back at her old job as billing machine operator for McKim's.

Capt. HAROLD TINKLE was a law student before the war. Now he's a junior account executive.

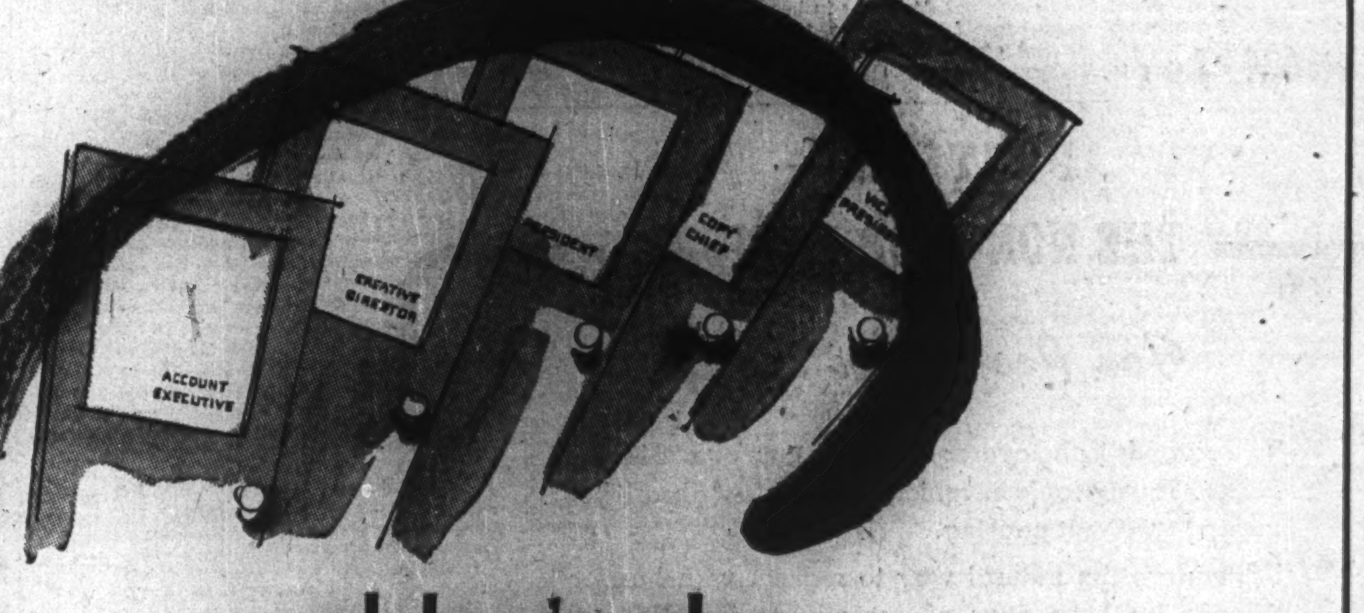
Maj. IAN WALLACE, M.B.E., six years with 48th Highlanders, returned to us as account executive; is now London, England, manager.

McKIM ADVERTISING *Limited*

Advertising Agency • Established 1889

An organization numbering over two hundred persons experienced in selling and advertising. This advertisement deals specifically with forty. Associated with them is the mature knowledge of the seasoned McKim executive. Our services are employed by leading advertisers in the press, in magazines, posters, radio, motion pictures, publicity and Public Relations. We welcome enquiries from executives seeking the best in Advertising Agency service.

JAMES BAXTER,
President.



and here's where they are going . . .

You'd get a lift out of talking to any one of these 40 men and women . . . and to the many other McKim men and women who served their nation's war need on the home front as reservists, Red Cross Volunteers, blood donors . . . a soul-warming human lift . . .

. . . and a realization that young energy, compounded with war-developed maturity and sound training, is having a profound bearing on Canada's undoubted high destiny.

OFFICES AT: MONTREAL • TORONTO • WINNIPEG • VANCOUVER • LONDON, ENG.

Regular, Frequent
CANADIAN
FREIGHT SERVICES
to and from

CUBA	Puerto Rico
BR. HONDURAS	DOMINICAN REP.
GUATEMALA	*Haiti
COSTA RICA	*Guadeloupe, Martinique
PANAMA	CURAÇAO
COLOMBIA	VENEZUELA

*occasional calls

Loading HALIFAX
S.S. "Wentworth Park," Feb. 12/17, for Port-au-Prince, Haiti; La Guaira, Venezuela; Puerto Cabello, Venezuela; Curacao, N.W.I.; Maracaibo, Venezuela.

Loading SAINT JOHN
S.S. "Shakespeare Park," Feb. 15/18, for Belize, British Honduras; Puerto Barrios, Guatemala; Port Limon, Costa Rica; Cristobal, Canal Zone; Barranquilla, Colombia.

Sailings from Montreal (summer months), Saint John and Halifax (year round).

For further information, apply to Saguenay Terminals Ltd., 1700 Sun Life Bldg., Montreal. (Telephone BElair 1571).

SAGUENAY TERMINALS

G. E. T.
SHERRY & SON
COMPANY
"Saskatoon City Homes"
REAL ESTATE INSURANCE
APPRAISALS
PROPERTY MANAGEMENT
SASKATOON

J. A. WILLOUGHBY
City and Country
REAL ESTATE
TORONTO
Downtown Office: 156 Yonge St. Uptown Office: 1 Heath W at Yonge
ESTABLISHED OVER 40 YEARS

G. E. LESLIE & CO.
STOCK BROKERS AND GENERAL INVESTMENT DEALERS
MEMBERS:
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AND
COMPANY
LIMITED
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80 Richmond St. West, Toronto
Telephone Adelaide 6181
Member: Investment Dealers Association of Canada

Government, Municipal and Corporation Securities

For Sale in Vancouver
DESIRABLE FURNISHED HOUSE
3851 Pine Crescent, Vancouver
$50,000
Price unfurnished $35,000

Living room, library, dining room, large sunroom, panelled hall with powder room, modern kitchen and pantry; eight bedrooms, three bathrooms, upstairs sitting room and sewing room. Oak floors throughout.
Basement storeroom and laundry; Cedar storage closets; trunk room, etc.; hot water heating, oil furnace.
Modern three-car garage; overhead four-room suite for chauffeur with kitchen and bathroom. Landscaped garden.
Furniture independently appraised at $17,000. Inventory on request.

PROPERTY IN EXCELLENT CONDITION
FOR IMMEDIATE OCCUPANCY
Apply Real Estate Department
THE TORONTO GENERAL TRUSTS CORP.
Pender & Seymour Sts., Vancouver
or 253 Bay Street, Toronto.

Is it Fair to Offer Premiums?

The Question: "Do You Consider Offering of Premiums With Regular Merchandise a Fair Trade Practice and Justifiably Deductible From Income Tax?"

Return of the buyers' market and renewed competition for consumer dollars are setting the nation's merchandising brains in motion again. Stepped-up advertising, increased service-with-a-smile, bigger and better bargains are resulting. Premium offers with purchases is one of the stock pre-war devices; and it was always a bone of contention wherever salesmen met and talked. Hence The Financial Post's question of this week.

Most of the significant replies that follow are opposed to premium offers, some claiming that the practice is unethical, more that it is poor business, a bad form of price cutting that disrupts other lines. On the other hand there are some who defend it, say it is legitimate and smart advertising.

RODNEY ADAMSON, Prog.-Cons. M.P., for York West, Port Credit, Ont.

Use of premiums in kind or in merchandise is fundamentally unsound economics. However, in some lines use of premium exercises salutary stimulant to sales. Where this is true, rigid prohibition of premiums curtails business. We will need the highest possible level of business activity to maintain our economic stability. Despite theoretical unsoundness of premiums the device probably has a place in the merchandising machinery of some lines of consumer goods. Where resorted to it should be allowed as an operating expense. The use of premiums should be controlled by agreement within industry and not by government regulations.

* * *

HARRY C. ASHDOWN, president, Ashdown Hardware Co., Winnipeg.

The giving of premiums with regular merchandise is not a fair trade practice. If the firm giving the premiums would confine these to goods which they sell in the ordinary course of trade this would in effect act merely as a reduction in price of the principal items sold and the practice might not be so objectionable. But in case of a hardware house offering groceries or drygoods items as a premium or the grocery house offering hardware the practice is a definitely bad one.

* * *

J. T. E. AIKENHEAD, president, Aikenhead Hardware Ltd., Toronto.

I cannot see anything unfair in offering premiums with regular merchandise providing the facts are fully and correctly stated in the offer. Premiums, of course, should not be regarded as free but rather as part of a combination offer. Including a premium in an offer is just another way of offering a price reduction.

* * *

THOMAS BRAIDWOOD, manager, B. C. Drugs Ltd., Vancouver.

I do not consider the offering of premiums with regular merchandising a fair trading practice and it should be prohibited by law and certainly under no circumstances should it be considered as a deductible item for income tax purposes. To permit the offering of premiums gives an unfair advantage to the larger business firms as a general rule over their smaller and less wealthy competitors and furthermore permits, for those who wish to take advantage, dishonesty in business. It lowers the moral standard which all businessmen should protect to the utmost.

* * *

J. A. CAULDER, president & managing director, Silverwood Western Dairies Ltd., Toronto.

The whole matter of offering premiums with regular merchandise is a bad trade practice. This is just a form of price cutting and it seems to me that a reduction in the selling price is a better method of meeting the consumers' demands than by giving premiums.

I do not think it can be classed with the policy of paying patronage dividends. Patronage dividends were originally allowed certain organizations because of their peculiar set-up. Later patronage dividends were used in a way that was never intended by the income tax authorities. It would appear to me that the Income Tax Department should not allow the distribution of premiums as an expense when making tax returns, as it seems to be an unsound and an unnecessary policy.

* * *

FRANK CHAPPLE, president, Chapple's Ltd., Fort William, Ont.

The offering of premiums with regular merchandise is an unsound business practice. Unfortunately, it is difficult for a great many people to withstand attractive advertising, particularly if it is endorsed by something given away free. This leads to much unnecessary spending, often to the financial embarrassment of the buyer. The present high taxation on corporations encourages this type of promotion and although we are strongly in favor of lifting the government regulations on free enterprise, we are definitely in favor of some agency whose job it will be to carefully scrutinize the entire premium field.

* * *

ROBERT CHISHOLM, vice-president and general sales manager, Gordon MacKay & Co., Toronto.

Premium offerings are probably injurious to business as a whole. However, there is no doubt that the practice will be resumed and I am not sure that it is any more mischievous than many other trade practices. Certainly it can be considered as a cost of doing business and therefore a regular expense deductible for tax purposes the same as any other advertising or operating expense. In any case I hope there will be no agitation for government regulation regarding this practice or any other trade practice regardless of how unfavorable it might be considered.

* * *

P. COHEN, president, Belgium Glove & Hosiery Co. of Canada Ltd., Montreal.

The offering of premiums with regular merchandise is not a fair trade practice. It has always been our practice to offer the buying public good values without resorting to any other method than a fair marketing under free enterprise.

* * *

K. D. EWART, advertising manager, The Country Guide, Winnipeg.

Offering of premiums with other merchandise constitutes an unfair trade practice with many objectionable features apart from its doubtful value as a mere temporary sales stimulant. Regular dealers in merchandise lines offered free, object that their legitimate sales and consequently profits and taxes are affected adversely. On this ground alone premiums should be ruled out as legitimate sales expense for income tax purposes.

Other major objections are:

1. It is a method always capable of adoption by competitors with steadily increasing offers and consequent increased sales expense.
2. The public is induced to buy unwanted or unnecessary merchandise simply to secure a premium.
3. Practiced generally we would soon have the spectacle of consumers shopping for premiums rather than the merchandise offered.
4. It tends to educate the public to try to secure something for nothing.

Soon people would be shopping around for premiums. Most of us can recall pre-war days when movie houses vied with each other in giving away dishes, glassware, toilet sets, etc., and a halt had to be called because of increasing expense and shrinking profits.

* * *

HERBERT GILBERT, assistant secretary and chief accountant, Royal Trust Co., Montreal.

While I question the commercial soundness of the custom, I consider that the offering of premiums with regular merchandise is a fair trade practice. This is simply a form of advertising and therefore should be treated for income tax purposes in the same manner as any other legitimate selling expense. There is no doubt that this form of appeal attracts the interest of some persons just as the prospect of a prize in a birthday cake excites one's expectation. However, it is a moot point whether this is good business practice.

* * *

J. A. HENDRY, secretary, Jas. A. Ogilvy's Ltd., Montreal.

I do not consider offering of premiums with merchandise a fair trade practice in retail business.

* * *

GEORGE S. HOUGHAM, general manager, Canadian Retail Federation, Toronto.

Based upon intimate relationship with retailers of all types over 30 years, I believe they are opposed to manufacturer-sponsored promotion schemes to stimulate sales of their products. This sales promotion method is regarded as unfair because it involves giving away merchandise ordinarily sold in another store thus introducing unnecessary friction in retail relationships.

The enquiry introducing questions as to what is fair and justifiable involves fine points of ethics upon which opinion will vary. It seems obvious that distribution of premiums from retailers to customers is in the same class as patronage dividends and subject to conditions specified in the Income Tax War Act as deductible from operating statements for taxation purposes.

* * *

CECIL LAMONT, president, North-West Line Elevators Association, Winnipeg.

In a free economy business should have the right within the law to compete as it sees fit, and if in the opinion of the management premiums are desirable and necessary to secure and enlarge business, then the head of the business is better able than government officials to judge the value of continuing such an expense.

* * *

DR. B. A. MARGO, consulting management engineer, Montreal.

Offering premiums with regular merchandise is a fair trade practice. It is in line with many other legitimate means of advertising which give an incentive to the buying public. Therefore the expense for such premiums deserves the same consideration with regard to income tax as other expenses for advertising.

* * *

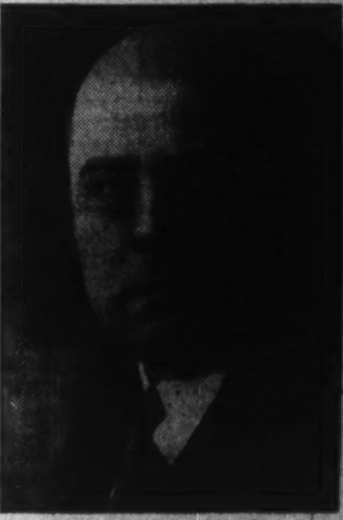
A. A. SHELLY, general manager, O.K. Economy Stores, Saskatoon, Sask.

Only if the price of regular merchandise is enhanced through premium offer do we deem it an unfair trade practice, for then it becomes misleading through creating a false sense of value. However, from our standpoint, all premium offers are undesirable since they invariably tend to demoralize trades one way or another. If a sponsor can afford to offer a premium without enhancing the price of regular merchandise we deem it preferable that he reduce the price instead of offering a premium. We cannot see how the offering of a premium could create an income tax issue since, in effect, at worst the sponsor has merely juggled the price of his goods.

* * *

L. W. SIMMS, president and general manager, T. S. Simms & Co., Saint John, N.B.

Any inducement to the buyer other than the essential service any commodity is designed to render as reflected in quality and the price that reflects efficient production and distribution, is a form of graft which has no place in sound merchandising or as deductible expense in taxation. One of the most objectionable forms of this graft is the widespread practice of producers paying department and chain store clerks salaries or commissions so that patrons entitled to unbiased advice in selecting an article are deceived by this artificial pressure into purchasing what they might not otherwise select.



EDOUARD GOHIER

has been elected to the Board of Commissioner - Censors of the Provincial Bank of Canada.

JAMES W. SEWALL
Timber Cruises and Valuations
Ruttan Block, Port Arthur, Ont.
JAMES W. SEWALL
Old Town, Maine
PHILLIPS & BENNER

EXPORTS
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will ensure your plant year-round production. We invite you to discuss with us your exclusive sales rights either on a commission basis or outright purchase. With our 80 representatives, we can assure you of first-class success.
Wm. Looser & Co., Ltd.
64, Wellington Street West,
TORONTO

$3.7 Million Building Program for U. of S.

From Our Own Correspondent

SASKATOON — Conditional on provincial Government approval, a $3.7 million building program for the University of Saskatchewan will be completed within five years.

Buildings now under construction or planned are valued at $1.3 millions (the almost-completed engineering building addition, $300,000; partly completed medical college, $700,000; a soils and dairy building planned, $300,000).

Suggested additions are a short course agriculture building, $500,000; an arts and administration building, $1,250,000; a student union building, $350,000; the Murray Memorial Library, $300,000.

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Calgary Stock Exchange
Vancouver Stock Exchange
Winnipeg Stock Exchange
Winnipeg Grain Exchange
The Investment Dealers' Association of Canada

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To Service Traders and Investors

Our fourteen offices from Montreal to Victoria, all connected by direct private wires and being members of six Canadian Stock Exchanges, insure traders and investors wide facilities for dealing in listed and unlisted industrial, mining and oil stocks and Government, Municipal and Corporation bonds.

You are invited to use these facilities for securing quotations and transacting orders. Our comprehensive statistical department is also at your service to supply facts and figures about securities in which you may be interested.

• • • •

Eastern business men, when travelling West, are invited to get quotations and service from our Western offices. They may also keep posted on quotations while en route, through bulletins we place on Transcontinental trains giving quotations for leading Canadian and American stocks.

JAMES RICHARDSON & SONS
ESTABLISHED 1857
EXECUTIVE OFFICES WINNIPEG
Fourteen offices from Montreal to Victoria connected by direct private wires.
37

NEW ISSUE

$42,000,000
Quebec Hydro-Electric Commission
Guaranteed as to principal and interest by the Province of Quebec
1½% to 3% Series "D" One to Twenty-Six Year Serial Debentures

To be dated February 15th, 1947 To mature from February 15th, 1948 to February 15th, 1973

To be issued under the authority of The Quebec Hydro-Electric Commission Act, R.S.Q. 1941, Chap. 98A and amendments, and an Order of the Lieutenant-Governor in Council dated January 22nd, 1947.

Principal and half-yearly interest (February 15th and August 15th) payable in lawful money of Canada at any branch in Canada of the Commission's bankers (Yukon Territory excepted) and at the Commission's Head Office in the City of Montreal. Coupon Debentures in denominations of $1,000 and authorized multiples thereof. Debentures may be registered as to principal only. Debentures maturing February 15th 1948 to 1968 will be non-callable, and Debentures maturing February 15th 1969 to 1973 inclusive will be subject to redemption in whole or in part at the option of the Commission on any interest date in and after 1969 on thirty days' prior notice at par and accrued interest.

Legal opinion: Messrs. Heward, Holden, Hutchison, Cliff, Meredith & Ballantyne.

In the opinion of Counsel, these Debentures will be unconditionally guaranteed as to principal and interest by the Province of Quebec, the guarantee being endorsed on each Debenture, will be direct obligations of the Quebec Hydro-Electric Commission and will be a legal investment for Les Caisses Populaires organized and operating under the Quebec Cooperative Syndicates Act as amended.

Information relating to the purpose of the issue and the outstanding debt of the Commission will be found in the official prospectus which is available upon request.

Schedule of Maturities, Coupon Rates, Offering Prices and Yields

Date of Maturity February 15	Principal Amount $	Coupon Rate %	Offering Price*	Date of Maturity February 15	Principal Amount $	Coupon Rate %	Offering Price*	Approximate yield to maturity %
1948	500,000	1½	Sold	1960	900,000	2¾	100.75 Through the piece	2.685
1949	500,000	1½		1961	900,000	2¾		
1950	500,000	1¾		1962	900,000	2¾		
1951	500,000	1¾		1963	1,000,000	2¾	100.375 Through the piece	2.72
1952	500,000	1¾		1964	1,000,000	2¾		
1953	500,000	2		1965	1,000,000	2¾		
1954	750,000	2¼		1966	1,500,000	2¾	100.00 Through the piece	2.75
1955	750,000	2¼		1967	1,500,000	2¾		
1956	750,000	2½		1968	1,500,000	2¾		
1957	750,000	2½		1969	2,000,000	3	101.50	2.90
1958	750,000	2½		1970	2,000,000	3	101.50	2.90
1959	750,000	2½		1971	2,000,000	3	101.50	2.91
				1972	2,000,000	3	101.50	2.91
				1973	16,300,000	3	101.00	2.94

*Plus accrued interest

SUBSCRIPTIONS WILL BE RECEIVED SUBJECT TO REJECTION OR ALLOTMENT IN WHOLE OR IN PART, AND THE RIGHT IS RESERVED TO CLOSE THE SUBSCRIPTION BOOKS AT ANY TIME WITHOUT NOTICE.

IT IS EXPECTED THAT THE DEBENTURES IN INTERIM FORM WILL BE READY FOR DELIVERY ON OR ABOUT FEBRUARY 20th 1947.

WE, AS PRINCIPALS, OFFER THESE DEBENTURES IF, AS AND WHEN ISSUED AND ACCEPTED BY US, AND SUBJECT TO APPROVAL OF COUNSEL ABOVE MENTIONED.

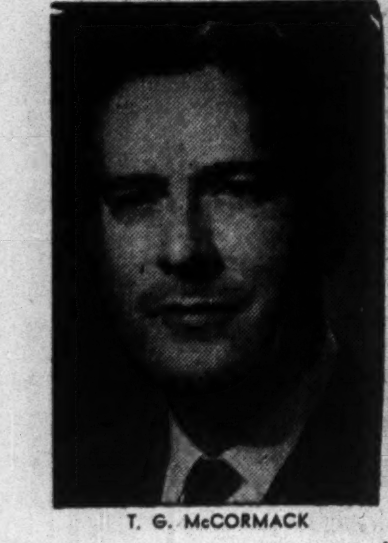
L. G. Beaubien & Co. Limited
Royal Securities Corporation Limited
Nesbitt, Thomson & Co. Limited
Mills, Spence & Co., Limited
McLeod, Young, Weir & Company Limited
Bell, Gouinlock & Co., Limited
Collier, Norris & Quinlan Limited
McTaggart, Hannaford, Birks & Gordon Limited
Savard, Hodgson & Co. Inc.
René-T. Leclerc, Incorporée
Harrison & Co. Limited
Mead & Co., Limited
Cochran Murray & Co. Limited
Midland Securities Limited
MacTier & Co., Limited
Bartlett, Cayley & Co. Limited
Geoffrion, Robert & Gelinas Inc.

A. E. Ames & Co. Limited
The Wood Gundy Corporation Limited
The Dominion Securities Corporation Limited
W. C. Pitfield & Co. Limited
Greenshields & Co Inc
Gairdner & Company Limited
J. C. Boulet, Limitée
Clement, Guimont Inc.
La Corporation de Prêts de Québec
J. E. Laflamme, Limitée
Lagueux & DesRochers Limitée
Desjardins, Couture Inc.
Société Générale de Finance, Inc.
Crédit Interprovincial Ltée.
Oscar Dubé & Cie Inc.
Hamel, Fugère & Cie Limitée
Garneau, Boulanger Limitée

The statements contained herein are based upon information obtained from official sources but are in no event to be construed as representations by us.

January 27th 1947

NAMED TREASURER



T. G. McCORMACK

Whose appointment as treasurer of Dominion Stores Limited has been announced by President J. W. Horsey.

BACK AGAIN

Presbyterian
MIXTURE
OVER THE SEA FROM SCOTLAND

The thousands who have missed this friendly smoke from Scotland can now pack a pipe with real pre-war pleasure, the same old pipe pleasure as pre V-bombs, Atom bombs and restrictions. The cool slow burning sweetness combined with its famous aroma is here, packed in Scotland in air tight sealed tins to reach you fragrant and fresh as newly blended. The tobacco that made a famous Prime Minister declare "My thoughts grow in the aroma of that particular tobacco."

The choice of a famous British Prime Minister. On sale at your local store.

A. GALE & CO.,
GLASGOW,
SCOTLAND

VICTORIA
VANCOUVER ISLAND

Homes
Farms
Income Realties

5% to 6%
FIRST MORTGAGE
SECURITIES

ENQUIRIES INVITED
PEMBERTON
HOLMES LTD.
825 FORT ST.
VICTORIA, B.C.
Leaders for 60 Years

For Participation in Agricultural and Building Industries:

EASTERN STEEL PRODUCTS
LIMITED
Common Shares

Listed on The Toronto Stock Exchange and Montreal Curb Market.

Descriptive analysis gladly supplied on request.

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Members: The Toronto Stock Exchange, Montreal Stock Exchange and Montreal Curb Market.

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Partners: A. B. Davidson R. Robertson M. C. Buckley
O. F. Dubois J. C. Labbett

FOR SALE
Vancouver Island Estate

One of Vancouver Island's finest Country Estates, consisting of approximately 1,100 acres — over 300 acres cleared, fenced and drained, the balance wooded, much of it suitable for rough pasturage. Buildings consist of main residence, eight rooms, two bathrooms up and washroom down, automatic hot-water heat, electric light and phone. Five dwellings for farm personnel, four large barns and other outbuildings suitable for accommodating dairy herd of 150 head. All facilities of a fully modern dairy. Situated on Vancouver Island, 30 miles from Victoria. A truly beautiful estate and farm at an attractive price.

ADDRESS ENQUIRIES TO
HAGAR & SWAYNE LTD.
COR. VIEW & BROAD STS. VICTORIA, B.C.

Industrial Growth in Canada

New Plant Expansion Projects to Increase Production and Employment in Industry

Graham Bell

Graham Bell Enameling, President P. Graham Bell, completes construction of new plant at Streetsville, Ont., for custom porcelain-enamelling of metal electric appliances, building and architectural products, signs, etc. ("Industrial Growth" Oct. 19, 1946.) Production starts with about 30 workers, male and female, and with plans for progressive expansion. Plant provides 15,000 sq. ft., CPR siding on 9½-acre site, some original-design equipment in addition to wide range of most modern standard machines and controls; process is highly technical.

The new firm's three top men until last summer had served long with one of Canada's largest metal-working and enamelling industries. President Bell is reputed one of North America's top rank ceramic technicians; vice-presidents, Joseph W. Axon (production) and George Burton (engineering) likewise are acknowledged authorities in the field. Secretary and a director is John S. Wright, Plaxton & Co., barristers, Toronto.

• • •

Standard Chemical

Standard Chemical President K. S. Maclachlan, Toronto, continues to make industrial news.

At Sarnia, Ont., Standard Chemical reveals plans to start construction this year of a new chlorine-caustic soda plant, annual capacity of initial installation to be 18,000 tons of liquid chlorine, 20,000 tons caustic soda, with facilities for all normal grades and package sizes of both products.

At Nappan, near Amherst, N.S., Standard Chemical's wholly owned subsidiary, Maritime Industries Ltd., completes and puts into production with 65 employees its new salt evaporation plant ("Industrial Growth" Dec. 14, 1946). Construction was by Fraser-Brace Engineering. Rumor has it the new industry may broaden later into chemical research and production. Two 70-ft. evaporators and other items of equipment are by Robb Engineering, Amherst. W. G. Muir is plant manager.

At Longford, (Muskoka) Ont., Standard Chemical recently began making carboxy methyl cellulose in its rehabilitated and expanded wood distillation plant long idle. Product is one of new cellulose derivatives for textile, paint, other industrial uses.

• • •

Dominion Tar

Dominion Tar & Chemical, President A. O. Ponder, Montreal, reports spring start planned on construction of new 25-tons-a-day salt refinery near Unity, Sask., for its subsidiary Prairie Salt Co., and by agreement with Saskatchewan Government. Drilling of production wells being started under contract let to General Petroleums Ltd., Calgary.

Dominion Tar has foundation in for $250,000 extension roofing material storage section of Ville LaSalle, Montreal, plant; architect Colin H. Copeman; contractor J. S. Hewson; corrugated aluminum siding. This expansion does not immediately increase output or payroll. Dominion Tar also recently completed $300,000 extension at Cornwall, Ont., fibre conduit plant, where it installed 40 additional workers and "substantially" stepped up production.

• • •

McColl-Frontenac

McColl-Frontenac Oil, President J. M. Pritchard, Montreal, is said likely to decide this year for or against building of a new refinery in Alberta near the Montana boundary. In development work, gas recovery is now placed around 100 million cu. ft. a day and, it is said, any considerable increase in this supply probably will bring decision to build a refinery, where chemical byproducts would be included in output.

At Vancouver (Barnet, Upper Burrard), McColl-Frontenac has foundations in for its 14th ship service terminal in Canada; will begin installation of big steel tanks. Estimated cost of the project is $500,000.

At Toronto, McColl-Frontenac pushes construction of half million dollar Commissioner St. plant expansion to supplant and substantially increase (60%) grease manufacturing and lubricating oil blending capacity on Don Roadway W., Toronto. Contractor, Foundation Co. of Ontario.

• • •

Citroen of Paris

Construction circles are abuzz with talk that Citroen Co., Paris, France, automobile manufacturer, has a representative in Canada studying possibilities for building or leasing a property for parts manufacture or assembly.

• • •

B. C. Pulp

British Columbia Pulp & Paper, President Lawrence Killam, Vancouver, has work well advanced at its Woodfibre, B.C., mill in preparation to install a hydraulic barking plant and whole log chipper. Over 600 piles have been driven and concrete poured for the building and machinery foundations. Canadian Sumner Iron Works, Vancouver, has shipped by car-barge the big 175-in., 100-ton chipper which will chew up logs up to 40-in. diameter and will mean a marked saving in sawing; Canadian Sumner later will install the new barker, similar to largest machines in U. S. Pacific Northwest.

• • •

Stratford

Stratford, Ont., civic industrial commission headed by D. E. Marks, chairman, and W. H. Riehl, secretary, announces agreement between the commission and four Detroit businessmen representing a new plastics molding and forming industry for Stratford. The new industry will occupy a 5,000-sq. ft. factory yet to be erected by the commission; architects Jenkins & Wright ("Industrial Growth" Dec. 21, 1946).

• • •

Ault & Wiborg

Aulcraft Paints, Toronto, subsidiary of Ault & Wiborg, Canada, President C. T. Miller, Toronto, triples present manufacturing space on Symington Ave., with erection of new Campbell Ave. plant, according to Toronto Industrial Commission. First unit of four stories and basement, 15,000 sq. ft., has just been completed; three other units totalling 28,000 sq. ft. are under construction. The new plant, part of a $750,000 expansion program, is fireproof concrete, steel and brick construction. It will house varnish cooking, paint grinding, blending, packaging divisions. Initial units scheduled to go into operation in summer; others to follow.

• • •

Carrier Shoe

J. D. Carrier Shoe Co., Toronto, President J. D. Carrier, to build new plant at Ontario and Duchess streets and move next fall from Queen East plant; architect Wilfred Schlein; cost $80,000 with equipment; 2 stories, 50 by 80 feet, wood, steel, brick and block construction. New plant, Toronto Industrial Commission reports, will provide for 100% boost in output of leather shoes for domestic and export trade.

Lady Esther

Lady Esther, Toronto, President Alfred Besiel, Chicago, plans March start on building of new plant in suburban North York; architects Marani & Morris; cost about $175,000; steel and brick, 30,000 sq. ft., flat roof, rounded corners, probable contractor A. W. Robertson Ltd. Will vacate leased quarters in North Toronto, where space is roughly half and production capacity about one fifth of proposed plant. Production of wide range of cosmetics scheduled next fall with present force of 25 and present output to be stepped up gradually. Announcement of the expansion is made by Toronto Industrial Commission.

• • •

Prairie Canners

Prairie Canners Ltd., c/o H. Wasylyk, 711 McIntyre Bldg., Winnipeg, reportedly plans to build a new chain of Manitoba Canneries. One at Winkler to cost $42,000 will, it is said, be started next spring, while a pilot plant is planned at Dauphin. Planned for building in 1948 are plants at Morden, Portage la Prairie and Brandon.

• • •

Diamond Battery

Diamond Battery Products, Toronto, President L. D. Saunders, recently organized affiliate of an English firm, rents space at 220 Front East to make a storage battery chemical which is said to resist corrosion and maintain full activation of battery cells. The development includes an arrangement with a local manufacturing firm for production of batteries. Export agents have been established in Latin Americas and British West Indies.

• • •

'46 "Toronto Year"

Factory sites purchased in Toronto area in 1946 reached an all-time high of 365 acres, one for every day in the year and greater than the combined volume for 1944-45. Sixteen new industries were established to bring to 248 the total of industrial developments located with co-operation of Toronto Industrial Commission since its inception 18 years ago. T. H. Bartley is general manager of the Commission.

CHAS. SCREATON

has been elected vice-president of the newly incorporated John Stuart Sales Ltd., of which he is also general manager.

COMPANY REPORTS

H. R. MACMILLAN EXPORT CO. net profit for the year ended Sept. 30, 1946, was up 90.3%. Proceeds from sales and services were up $4,860,802 from last year. Earnings were derived from logging operations producing about 215 million ft. of logs—9.5% of the year's British Columbia coast region output; from sawmills producing 239 million ft. of lumber—equalling about 14% of the total lumber output of the British Columbia coast; from plywood mills producing about 104 million ft. measured on a 3-in. basis—about 50% of the plywood produced in British Columbia; from a door factory producing 130,284 doors—about 30% of the doors made in B. C.; from acting as export merchants throughtout the world for the forest products of B. C., Washington and Oregon; from deep-sea ships and from profit on sale of capital assets.

An important source of increased revenue arises from a 10-year contract signed June 28, 1946, by which the company undertakes management of the operations of British Columbia Forest Products Ltd. and sale of its products.

Net investment in capital assets increased by $9,744,599 to $19,151,768. This increase represents acquisition of the Victoria Lumber Co., purchase of six 10,000-ton cargo ships, building a door factory, installing chipping plants to make pulp chips from wood waste, and other capital additions to timber, mills, machinery and logging operations.

CONS. INCOME ACCOUNT

Years Ended Sept. 30:	1946	1945
Net earnings	$7,398,884	$4,635,710
Less: Depletion	568,429	431,435
Depreciation	1,107,078	359,938
Int., notes, etc.	403,597	255,764
Prov. for taxes‡	3,008,915	2,374,783
Net profit	2,310,865	1,213,790
Less: 6% pref. divd.	51,714	51,714
Common divd.	180,000	177,000
Surplus for year	2,079,151	985,076
‡Includes ref. EPT	142,105	269,864
Times All Interest Earned:		
Before depr. & depl.	18.33	18.12
After depr. & depl.	14.18	15.03
Earnings per Share and Dividend Record:		
2nd Pref.:		
Excl. ref. EPT	$268.11	$140.82
Incl. ref. EPT	284.80	172.14
Paid	6.00	6.00
Com.: Excl. ref. EPT	2.50	1.31
Incl. ref. EPT	2.65	1.61
Paid	0.20	0.20

CONDENSED CONS. BALANCE SHEET

As at Sept. 30:	1946	1945
Cash & bonds	$1,902,278	$1,512,523
Accts. rec.	4,118,589	1,962,151
Mkt. secs.*	68,438	13,250
Life ins. c.s.v.	......	131,325
Inventories	4,601,042	2,935,441
Total curr. assets	10,690,347	6,554,690
Misc. assets†	1,817,195	1,150,540
Invest. in sub., etc.	12,872	3,011,074
Funds for tim. lim.	2,002,600	......
Fixed assets:		
Timber limits▲	11,108,935	8,686,412
Plant & equip.■	8,042,833	2,720,757
Total assets	33,674,782	22,123,473
Accts. & tax. pay.	4,176,009	2,863,229
Other curr. liab.	1,310,929	40,000
Total curr. liab.	5,486,938	2,903,229
Open voyage accts.	2,512,637	......
Deferred liab.	2,935,340	1,029,561
Funded debt	9,949,000	5,699,000
Minority interest	56,000	51,000
Capital stock	1,331,900	1,051,900
Capital surplus	......	52,146
Earned surplus†	11,402,967	9,336,638
Conting. liab.	174,255	184,345
*Market value	96,388	43,725
†Incl. ref. EPT	681,450	506,344
▲After depletion	5,515,290	4,618,145
■After depreciation	5,883,730	4,504,302
Working capital	5,203,409	3,651,461

Construction Trends

By CLIVE CHATTOE

House Builders Line Up For Faster Start in '47

"More completed houses in 1947" is the new battle call of builders and housing authorities alike.

Here is Idea No. 1 of an even dozen put before the recent Canadian Construction Association convention at Niagara Falls by Canadian Legion Housing Chairman J. L. E. Price, of Montreal, who is also CCA housing chairman, a large-scale general contractor and immediate past president of National House Builders' association:

Speed Winter Planning—"Plan the 1947 building program in detail before end of April to get maximum number of houses completed before winter comes again. (More than 30,000 of last year's program are still unfinished, an unusually large carryover).

"Organize the building program for better utilization of materials and labor available for housing, i.e., to build more of the types most needed, where they're needed most, and to finish a larger proportion of work started than in 1946."

• • •

Action Already Launched In About Dozen Cities

Mr. Price couldn't have chosen better words to describe what many of the larger and organized house builders already are doing in about a dozen large centres across Canada.

The builders, members of local associations affiliated with the National House Builders' Association, Frank R. Lount, Winnipeg, president, are pushing into action on a new scheme formulated by NHBA at a year-end meeting in Winnipeg with Government housing and priority officials. Here are the bare bones of the plan:

1. Report by early February from each house-hungry community, on just how many "priority" houses local builders are prepared to undertake.
2. Drive for wider participation by builders in Ottawa's "Integrated" program featuring "fixed limit" profit, quantity building and veterans' preference in return for top supply priority, sale guarantee and other Ottawa assistance.
3. List in detail local and regional supply requirements for coming season's priority housing, the lists to be collected for guidance of Ottawa and regional priority officials and the manufacturing and jobbing industry.

The Ontario target will be well over 10,000 priority houses and apartments, it was agreed at a recent NHBA Toronto rally of Ontario builders interested in the planning-speedup scheme. As well, there was agreement that supplies were crux of the 1947 speedup question; more effective priority distribution, especially to the "Integrated" program was needed.

Building plans continue to be shaped around Ottawa's supply priority system, despite official uncertainty about what Parliament will do with it and with the whole Emergency Powers Transitional Act which is due to expire March 31.

• • •

Would Put More Punch Into Drive for Supplies

To those who question the wisdom of planning for continued large annual programs of house building, Canadian Legion's J. L. E. Price had this to say at the recent CCA meeting:

> "House building can proceed to capacity in Canada into 1951 without danger of the total built exceeding total need."

Following are some of his and the Legion's other ideas for faster completion of the houses we start and better value to householders:

1. To government: "Do more to speed output of scarce building materials, in co-operation with manufacturers.
2. To Labor: "For your own future wellbeing, recognize need to increase production."
3. To manufacturers: "Work actively toward lower prices of building materials and equipment."
4. To construction men generally: "High and still rising costs threaten to seriously hamper if not stall much building in Canada. About 90% of present housing demand is from families earning $125 to $350 a month. This means that 90% of housing built from now on should be made available at $25 to $70 a month."

Find more skilled workers; step up training of building trades apprentices.

Invent, test, dare more. Encourage development of new techniques offering lower construction costs. "The CCA contracting as well as manufacturing membership can make important constribution."

More grass-roots planning and public information. Teach Canadians that action to expand provision of new housing must originate in the municipality where the need exists. Inform the public more fully of facilities offered by Dominion Government for financing new housing.

Make Canadians "town plan conscious." Utilize every available means to stimulate wide interest and decisive action in community planning.

Speed modernization of archaic municipal building by-laws. They impede housing progress.

Hold up "less-essential" construction. Governing bodies to defer public works where possible. Municipal authorities to withhold temporarily permits authorizing "obviously non-essential projects such as places of amusement."

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Tell us...did our Company have a good year?

Yes . . . we certainly did!

Not only did we issue much more new insurance than in any previous year in our history, but the total of our business in force also reached a new high figure. The amount paid to us in premiums was at the highest point. The assets which are held for the protection of the policy-owners continued to be profitably invested.

For the past 66 years, North American Life has been carrying out its function of relieving beneficiaries of financial distress and providing comfort in old age to an ever widening group of policyholders and their dependents.

As one of 105,000 policy-owners, you are a partner in this fine mutual organization which you, through your co-operation, have made possible. We believe that our company's record justifies the confidence you have placed in it and that it will successfully merit your patronage when planning further life insurance and retirement income protection.

If you would like a copy of the 1946 Annual Report please call or write your agent.

New Business	$ 60,980,756
Business in Force	$403,446,916
Payments under Policies	$ 5,516,894
Assets	$104,877,198
Special Reserves and Surplus Funds	$ 6,605,308

NORTH AMERICAN LIFE
A MUTUAL COMPANY
HEAD OFFICE: TORONTO, ONTARIO

100 Years Ago Pattern Set For Present Day Protection

Canada Life's 100th Annual Meeting Stresses Importance of Policyholders' Interests

Tenth President of Canada's First Life Insurance Company Reviews Century of Service to Public

On this great occasion, through a happy combination of events, we are privileged to present a report to you which is noteworthy for three important reasons:

First—This is the One Hundredth Annual Meeting of the Canada Life Assurance Company!

Second—The Financial Statement discussed by our General Manager reveals a position of security and general strength unsurpassed, if equalled, by any of the ninety-nine annual statements which have preceded it. And, **third**, this year — without including credit for any annuity business — the Company's "life insurance in force" has passed the Billion Dollar Mark!

One hundred years ago, Mr. Hugh C. Baker, the Founder and First President of the Canada Life, concluded his report with these words:

"The Directors are much gratified with the share they have had in extending to many of their fellow subjects the **comforting protection of life assurance** and in successfully solving the many doubts which encircled the establishment of the Company, and they **transmit their trust** to their successors in the full confidence that with **moderate energy, proper caution in the selection of risks, and a due regard for strict economy**, a business will be rapidly formed which will most fully sustain the views of the projectors, as regards a great saving in cost, and which, while conveying to thousands the many advantages of life assurance, will prove a most important Provincial Benefit."

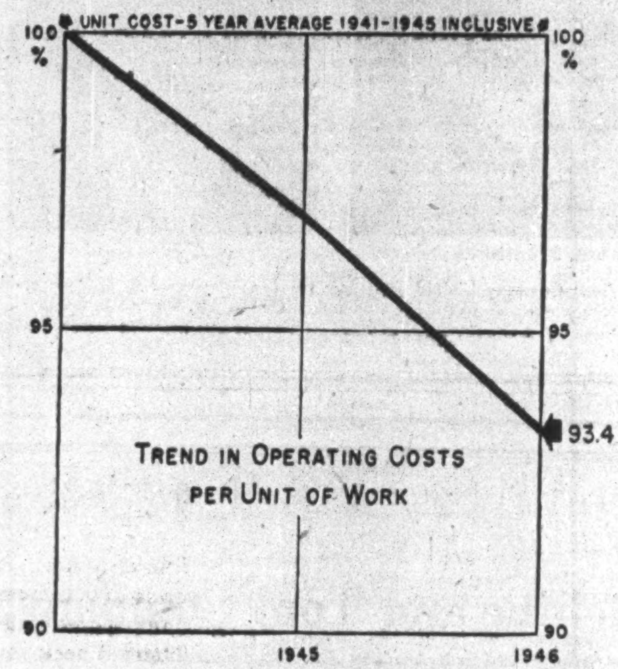
This year we pay respectful tribute to the memory of our Founders, and to the high principles which they espoused.

We pay tribute also to their "Successors"—to that long line of distinguished men—great men—who as Directors and Chief Administrators have served the Company and its policyholders with wisdom and integrity and devotion.

We pay equal tribute to that far greater company of men and women, who through the years—decade after decade for a full century of time—have come and gone—loyally serving the Company in their day—doing their jobs to their fullest capacity—striving, whatever their position, to bring to more complete fruition those lofty ideals, which, in the words of our first President, were "transmitted to their trust."

I believe, also, that a Billion Dollars of "life insurance in force" would convince Mr. Baker that his successors had expended "moderate energy." Our Field Force — even our **great Field Force** of to-day—will agree that it takes perhaps more than "moderate" energy to put a Thousand Million Dollars of good business on the books and keep it there!

And so I feel that upon this occasion we are justified in taking pride in the achievements of both the past century and the past year. But let me hasten to add that such elation of spirit derives, not from the magnitude of our assets or the volume of business on the books, but from the fact that tens of thousands of the citizens of this country and the British Isles and the United States have looked upon our record, have found it good, and have put their trust in our promises to pay. This, indeed, is and has always been, a source of justifiable pride. The repeated annual reference which we make to the strength of our Financial Statement should not be taken in any sense as an indication of pride in the Company's wealth or size, but rather as a measure of our confidence in the Company's ability to make good, under any circumstances which may arise, on every last promise in every contract this Company has in force.



I join with Mr. Gill in his praise of the outstanding work done during the year by all members of the Canada Life staff in field, branch, and Home Office. Our Field Force, this year, has produced spectacular results. The Agency Department, the Branch Managers, and the Field Force may take great pride in this exhibition of combined operations in which all objectives were reached in record time. In the face of the tremendous volume of business they have been sending in with little or no letup, and despite the difficulty of securing experienced helpers, our Branch and Home Office staffs have, as always, accepted the challenge, and have successfully completed their tasks with a minimum of delay.

In commencing this outline of what we might term our business creed, let me first ask a question: What do we, the Directors and Executives of this Company, believe to be the prime function of this institution?—What are we here for?

After one hundred years, I can find no more fitting words—no truer words—no more sincere words in which to answer that question, than those used by Hugh Baker, which I quoted a few moments ago. The chief purpose of this Company—its justification for existence—its prime function—is to extend to our fellow-citizens the "comforting protection of life assurance."

All of the assets you see upon our books and upon the books of other companies are but the savings of the people, left with us for a while, to be repaid later on at a time when they will be needed more.

We have been trusted with those funds. That sense of trusteeship has governed for one hundred years the deliberations and actions of the Canada Life, and will, please God, continue to govern it so long as this Company exists.

From Mr. Baker onward, year after year, the key-note of every Presidential address has been—"The interest of the policyholder is paramount". It has been made quite evident that security of contract has taken priority over every other consideration or problem of Management.

In Canada, and to the best of my belief in Canada only, life insurance can make the proud boast that no policyholder in a Canadian life insurance company has ever lost a dollar through failure of a company to pay, on death or at maturity, what was guaranteed to him under his policy. The more one delves into the history of financial obligations and promises to pay, the more remarkable this achievement becomes.

Our Company does not by any means claim more than its just share of the credit for this fine record, but we believe that the sound principles established and rigidly followed in those first twenty years when we were the only Canadian Company, set a pattern which became standard practice for the companies that followed after, and established the framework for Canadian Life Insurance Legislation.

In 1849 we find another very definite indication of the desire of the Company to protect the interests of policyholders. This Company introduced the privileges of Cash Surrender Values and Paid-Up Insurance.

Again in 1879, the Directors took a notable step in the interests of the policyholder. They petitioned Parliament, and Parliament gave its consent, to a change in our Charter in relation to the distribution of surplus. It was decided that shareholders' dividends should in no case exceed 10% of the amounts distributed. Since 1926, the Canada Life has been voluntarily cutting this 10% allotment in half, so that participating policyholders have been receiving 95% of all surplus distributed.

To the best of our knowledge, this was the first time in any country that such an idea was introduced into life insurance company practice. It later became the pattern for all companies in Canada, and this principle was subsequently incorporated into Canadian Life Insurance Legislation. We have no knowledge of such legislation being in effect in any other country.

Another tradition of importance, which has developed strength over the years, is that "the policy in force has prior rights over the policy in prospect".

We have pursued this policy in the belief that, in life insurance, conservatism pays off in the long run, not only in security but also in the ultimate returns to policyholders.

Another highlight or tradition emerging from those early records is in the field of what is known to-day as Public Relations. It was the desire of those early Founders—it was more than a desire, they were insistent—that their Company be judged and commended by the public for its integrity of character—for its quality rather than for its size.

Life Insurance has always been a sound investment. But it is much more than that. We attempt, therefore, from the outset, through our Field Force, not only to promise the prospective policyholder a fair return but also to take every precaution that the policy selected is the best one available to meet his particular needs; that the beneficiary is properly designated; that there is no conflict between the terms of settlement under the policy and the wishes of the policyholder as expressed in his Will. In all the other multitudinous circumstances where the person contracting for, maintaining, or maturing Life Insurance, needs experience and sound advice, we try to satisfy his needs.

Such service requires first of all a carefully selected, thoroughly trained body of underwriters who are prepared to qualify themselves in a professional way to fully meet the individual needs of the insuring public. The utmost care is exercised in the selection of those men and women who will represent us. Their character—their standards of education — their aptitude—are thoroughly tested and established before they are received into our organization. Thereafter they are Canada Life men and women, and no limit is placed on the time or energy employed to educate them in the use and application of Life Insurance to enable them to give expert advice. We make no distinction between members of our Field Force, our Home Office and Branch Staffs. All receive every help we can give them to improve their efficiency and knowledge. We have one common objective and we work toward it as a single integrated unit.

Since 1847, the Canada Life has disbursed over six hundred and twenty-five million dollars in cash to its policyholders and beneficiaries. Yet this huge amount is only a comparatively small proportion of the total so disbursed by all companies. In addition to these disbursements, hundreds of millions of insurance dollars have been directed into channels which have helped the upbuilding of the countries in which we do business, their homes, their farms, their industries, and their financial ability to wage war.

Would it surprise you to be told that life insurance policies now in force on this Continent outnumber the owners of savings bank accounts? Moreover, I think you would find that the number of policyholders equals, if it does not exceed, the number of Government bondholders, even after all the Victory Loan campaigns.

Life Insurance has become without a doubt one of the principal methods of saving adopted by the people of this Continent.

This prevailing good-will is a constant source of inspiration to every Executive Officer, while it supplies at the same time that vital spark which transforms a large group of workers into a great team.

S. C. McEVENUE
President

A. N. MITCHELL
Chairman of the Board

E. C. GILL
General Manager

Insurance in Force Passes Billion as Company Experiences Greatest Year

General Manager Reports Year of Progress

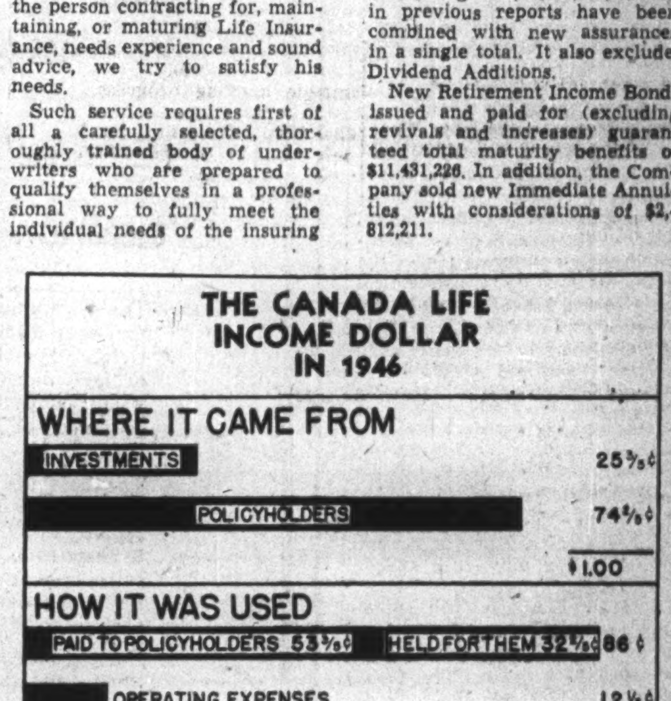
The report read by the Secretary is the 100th Annual Report presented by the Directors of The Canada Life Assurance Company. A full 100 years of the Company's operations will be completed on August 21st of this year, which was the date in 1847 when the company commenced to do business. The first Annual Report was presented in 1848, and accordingly 99 years later the 100th Annual Report is being presented. This becomes an historical event not only for this Company but for the whole institution of life insurance.

The past year has been an outstanding one from the viewpoint of new business and increase in business in force.

Net new premium income for assurances and annuities (excluding single premiums) amounted to approximately $3,200,000, a marked increase in comparison with previous years.

New Assurances issued and paid for in 1946 totalled $104,799,772. This figure does not include revivals and increased policies amounting to $37,431,549, which in previous reports have been combined with new assurances in a single total. It also excludes Dividend Additions.

New Retirement Income Bonds issued and paid for (excluding revivals and increases) guaranteed total maturity benefits of $11,431,226. In addition, the Company sold new Immediate Annuities with considerations of $2,812,211.



This large volume of protection was assumed under 24,852 new life insurance policies, 2,396 new annuity contracts and 5,280 group certificates, a total of 32,528.

Nineteen hundred and forty-six was the greatest year in the Company's history from the standpoint of new assurances paid for by our own Field Forces. Canada, the United States, the British Isles Division—all parts of the field made magnificent contributions to this exceptional production.

Special mention should be made of the fact that during 1946 seven of our field representatives produced over One Million Dollars of new business apiece.

BUSINESS IN FORCE

(1) Assurances	$1,002,130,754
(2) Maturity Benefits under Retirement Income Bonds not yet matured	$ 96,764,876
(3) Reserve value of Immediate and Vested Annuity contracts (providing for payments to Annuitants of $3,808,287 annually)	$ 34,179,206

The total comprises 407,878 contracts made up of 258,506 life policies, 23,147 annuity contracts, and 126,225 group certificates.

The figure for Assurances represents a gain of over $81 Million for the year, which is more than twice as great as the gain in 1945.

Furthermore, it will be observed that since the New Assurances of the year amounted to over $104 Million, the gain in business in force is equal to nearly 80% of the new business.

Premium Income has risen to $32,644,765.

Policy payments of $24,957,712, including $15,538,694 to living policyholders, have done much to maintain good living standards for countless policyholders and their beneficiaries. Of each income dollar 74 2/5c. arose from payments made by policyholders, and 25 3/5c. was earned from our investments.

53 3/5c. of each income dollar was paid to policyholders or beneficiaries, and an additional 32 2/5c. was added to the fund previously set aside to provide for future payments guaranteed under policy contracts. Thus a total of 86c. of each income dollar was paid to, or held for, policyholders as compared with 74 2/5c. of each income dollar that was received from them. In other words, we paid back, or held for future payments to policyholders, more than 115% of what we received from them. Since the Company was founded, we have paid to or held for policyholders over $100,000,000 more than we have received from them.

Total operating expenses increased during the past year because of the greater volume of business and the higher costs of materials, supplies and services of all kinds. A general increase in our staff salary scales was made in recognition of the higher cost of living.

I am happy to report, however, that despite these rising costs our expense rates per unit of work were actually 6.6% lower than in the previous five years. There were two factors which contributed to this reduction. One was that the increased volume of new business and business in force helped to reduce unit costs. The second was an extension of our programme of simplifying our work systems and methods. This programme is a continuous one and will ensure in the future that the operations of the Company are performed at the lowest cost consistent with efficient service.

We are still experiencing some claims where death has resulted from the war, but in spite of this our mortality experience was more favourable than during the years immediately preceding the war.

The Assets amount to almost $350,000,000 which is an increase of over $15,000,000 for the year. This large total of Assets is held for the benefit or protection of the owners of over 400,000 insurance and annuity contracts.

Our total bond holdings amount to over $274,000,000 which represents an increase of $12,000,000 for the year. Preferred and Common Stock holdings show no great change at approximately $10,400,000.

Provinces, municipalities and corporations were all prevented from embarking in a large way on needed capital improvements by reason of shortages of labour and material, the major portion of which has been diverted to relieving the housing shortage. As soon as this shortage is relieved it is anticipated that there will be substantial borrowing to meet necessary but deferred capital expenditures. Our Securities Department is fully prepared to take advantage of all opportunities for investment arising from this construction. We are actively searching for investment outlets, and we hope to be able to report in 1947 that large amounts of life insurance funds have been put to work in building factories, schools, and other structures of benefit to the community.

The increase in bond prices during the year resulting from the further decline in interest rates has brought about a further increase in the excess of market value over book value of Assets. Since our bonds have been entered in the statement at their book values, this excess of market values is a further item of strength. Nevertheless this Company feels very strongly that market values are not the proper basis on which a life insurance company should be judged. A life insurance company deals primarily in long term liabilities, and short term fluctuations in market values are not of major importance. We believe that as long as a bond remains of satisfactory investment calibre a company should be permitted to value it on an amortized basis, thus eliminating temporary fluctuations in market values. Even when valued on this basis, our securities show a substantial excess over their book values.

Urban mortgages and sale agreements amount to just over $32,000,000, an increase of over $4,000,000. Principal collections on existing accounts amounted to over $5,300,000, which meant that the Mortgage Department made new loans during the year amounting to over $9,000,000, an increase of $4,500,000 over 1945.

One of the most critical of the post-war problems has been the provision of housing for returning veterans, and for the greatly increased urban population. As our contribution toward the solution of this problem we made mortgages of over $6,500,000 to assist in the building of approximately 1,800 new homes, and in addition advanced over $2,000,000 to assist in the purchase of some 800 existing homes. This programme of helping to fill the need for new homes will be continued in 1947.

Our Mortgage Department has been set up to assist in every way in the solution of the housing problem. We have made surveys in the various cities across Canada, and assisted builders in acquiring blocks of land for development for housing purposes. It has not been thought wise as yet for us to take advantage of the existing legislation to acquire this land directly for development ourselves, since we have been able to locate in every instance a local builder to undertake the development with our assistance. With competent technical personnel in our own employ, we have further assisted these builders in laying out the sites and have given them valuable advice as to the most suitable plans for this housing. The same type of advice is available to individuals through our various Mortgage Branches and has proven of valuable assistance to our borrowers in connection with their building problems.

Farm mortgages and sale agreements were reduced by $650,000 during the year to approximately $3,400,000. Collections on farm mortgages continued to be good during the year and we were able to make a substantial recovery from reserves previously set up against these investments.

The rate of interest earned in 1946 was 3.9%. It is interesting to compare this earned rate with the rate of 4.26% earned in 1936. About that time the Dominion of Canada brought out its first 3% long term bond issue, and until 1946 the rate of interest on high grade bonds has not varied a great deal from this 3% level. The decline in our rate is therefore very moderate as measured against the effect of ten years of low interest-rates, including five years of heavy purchase of War Loans. If the present yields on new investments, which are even lower than the 3% level, continue, we must of course expect a further reduction from year to year in our own earned interest rate, with consequent reduction in earnings on invested assets.

The increased scale of policy dividends forecast by Mr. McEvenue last year went into effect in July. On this scale each annual dividend consists of two parts—(1) a basic dividend, and (2) when earned, an extra dividend. The basic dividends have been calculated on a scale which, it is believed, can be maintained for a few succeeding years.

We should like to pay tribute once again to every member of our Staff in the Home Office, the Branches, and the Field, who, notwithstanding our substantial increase in new business in force, have met the heavy demands made upon them with cheerful, consistent and ever-ready co-operation.

THE CANADA LIFE ASSURANCE COMPANY

Statement of Assets and Liabilities at December 31, 1946

ASSETS

Bonds		$274,907,932
*Federal Government	$185,524,772	
Provincial and Municipal	37,281,521	
Public Utility	42,579,139	
Other Corporation	9,522,500	
*Canada, U.S., U.K. and Eire.		
Mortgage Loans and Agreements of Sale		35,458,763
Stocks		10,404,387
Preferred	6,928,815	
Canadian Banks and Trust Co's.	2,593,215	
Other Common	882,357	
Loans on Policies		13,341,885
Real Estate Office premises and other properties.		6,059,684
Cash		1,306,386
Premiums in course of collection and instalments of 1946 premiums not yet due. (Full liability arising therefrom included in Liabilities)		4,634,809
Interest and Rents		3,225,181
Due	$ 21,022	
Earned but not yet due	3,204,159	
Other Assets		409,551
Total		$349,748,578

LIABILITIES AND SURPLUS

Amount required, in addition to future premiums and interest, **to provide for payments guaranteed** under assurance, annuity and staff pension contracts now in force		$297,504,432
Benefits in course of payment and provision for unreported claims		4,575,599
Policy proceeds and other amounts left with the Company		20,412,287
Other Liabilities to Policyholders Including Amounts in Suspense.		1,483,399
Miscellaneous Liabilities Including provision for accrued taxes and outstanding expenses.		1,465,855
Total Liabilities arising from policy and other contracts		325,441,572
Provision for Future Policy Dividends		6,725,000
Available for the Further Protection of Policyholders		17,582,006
Capital stock ($1,000,000) and Shareholders' Fund	$ 1,452,858	
Reserve for Contingencies	5,000,000	
Additional Surplus	11,129,148	
Total		$349,748,578

BOARD OF DIRECTORS

S. C. McEVENUE
President

A. N. MITCHELL
Chairman of the Board

HON. LEIGHTON McCARTHY, P.C., K.C.
Chairman of the Investment Committee

HERBERT C. COX
Chairman of the London Board

R. A. LAIDLAW
Vice-President
Secretary-Treasurer, R. Laidlaw Lumber Co.
Director, Bank of Montreal

***E. G. BAKER**
Vice-President
Chairman of the Board, Moore Corporation, Limited
Director, Bank of Canada

A. E. ARSCOTT, C.B.E.
President, The Canadian Bank of Commerce

ARTHUR V. DAVIS, Pittsburgh, Pa.
Chairman of the Board, Aluminum Co. of America
Director, Mellon National Bank & Trust Co.

***H. V. LAUGHTON, K.C.**
Vice-President and General Manager, National Trust Co. Limited

C. A. BOGERT
Chairman of the Board, The Dominion Bank

H. L. ENMAN
General Manager, The Bank of Nova Scotia

JOHN STUART, Chicago, Ill.
Chairman of the Board, The Quaker Oats Company

***R. C. H. CASSELS, K.C.**
Blake, Anglin, Osler and Cassels

***E. C. GILL, F.A.S.**
General Manager

***RT. HON. SIR THOMAS WHITE, G.C.M.G.**
Vice-President, National Trust Co. Limited
Director, The Canadian Bank of Commerce
Director, Steel Co. of Canada

*Policyholders' Directors.

The Provincial Roundup

Tax Pacts Up to Drew and Duplessis Saint John Milk Strike Boomerang?

Finance Minister Abbott's latest (and also last, he insisted) tax offer had apparently bridged the gap for agreements with seven provinces. Premier Drew of Ontario still pressed for a new conference; Premier Duplessis of Quebec agreed to study the new proposal "in the light of the constitution, the rights of the province, and the rights of the central government," but insisted that subsidies should not take the place of taxation rights.

While Finance Minister Abbott stressed that "this is the limit to which the Dominion can responsibly go," he agreed that even the new proposals "might be capable of some minor adjustments." As to a new conference: "The door is never entirely closed; but I can see little purpose in a conference at present."

Simultaneously, wheels of the nation's law-making machines began to turn this week, as the Dominion Parliament in Ottawa and the Saskatchewan Legislature in Regina opened on Jan. 30.

British Columbia

Test for Japs

The first test of Canada's new deal for Japanese, was anticipated in Vancouver, as a number of Orientals planned to seek permission to return to Vancouver and the coastal area, and to ask federal approval for a $40,000 cannery venture at Lillooet, where they are now quartered. The proposal called for Japanese to hold 49% of the stock, and for a board of three white members and two Japanese, to operate the plant. (Ottawa last weekend, abandoning its proposed deportation of Japanese, announced that these would not be allowed to return to the Pacific Coast without special permission, or to engage in fishing activities on the coast.)

Not Another Georgia: Premier John Hart's "usurper" government was formally declared "dissolved" by decree of the Native Brotherhood (Indian) of British Columbia; but there was no prospect of another crisis such as in Georgia. In protest against refusal of the franchise to Indians, Chief William Scow, spokesman for 25,000 "first Canadians," sent an edict to Victoria: "Your government, which has not seen fit to permit the owners of Pacific Coast lands a voice in its control, has no longer any legal standing."

The Indians had acted after hints that the franchise would be extended to Canadians of Chinese and East Indian (but not Japanese) descent, at the coming legislature session. (The Financial Post, Nov. 23, 1946.) Compulsory voting, with penalties not yet defined, was also forecast (The Financial Post, Oct. 5, 1946.)

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Alberta

Woman Hits Farm Strike

United Farmers of Alberta were ready to strike again—if a vote of their entire membership gave a three to one majority for such a course, after "full consultation with the Canadian Federation of Agriculture." Observers said the convention vote on the question was at least three to one. Opposing strike action, Mrs. Winnifred Ross of Millett, UFWA past president, warned: "Labor and everyone else must find a better way of expressing themselves than causing all the destruction that goes with strikes. Ernest Bevin has said food is the only basis of permanent peace, and we women all want permanent peace."

National Farm Union Out: Alberta Farmers' Union "by a substantial majority" rejected a proposal for amalgamation with the United Farmers of Alberta and the Alberta Federation of Agriculture (unofficial sources said the vote was about 400-250). The Union also vetoed a proposal by President Carl J. Stimpfle (re-elected) for a nationwide farmers' organization, "to co-operate with labor in a fight to win agriculture's economic demands." It asked, however, the co-operation of the Canadian Brotherhood of Railway Employees, in the event of another nondelivery strike United Farmers of Alberta endorsed the proposed three-group amalgamation.

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Saskatchewan

Legislature On

Saskatchewan was first away from the post, in the annual legislative race, its 10th Assembly convening for its fourth session, this week (Manitoba, owing to renewed tax negotiations at Ottawa, had cancelled plans to open nine days earlier).

When Liberal Leader W. A. Tucker, on the eve of the session's opening, assailed "the well-oiled and ruthless CCF political machine" and predicted an early election, Attorney-general J. W. Corman retorted by challenging Tucker to seek a seat in the House; said Ex-Premier W. J. Patterson had been "squeezed" out of the Liberal leadership by pressure from Ottawa.

Simultaneously, Progressive Conservatives (unrepresented in the Legislature for more than a decade) announced they would fight single-handed against the CCF; said Tucker had "virtually closed the door" to any Liberal-Conservative amalgamation. (Present Assembly standing: CCF 47; Liberal 5; armed services 3).

Conservatives planned a new fortnightly paper, edited by Rupert Ramsay, provincial leader. John G. Diefenbaker, Progressive Conservative M.P., charged the CCF had increased taxation $12.50 per capita "after promising us that we would have everything, and it would cost us nothing."

Social Credit for "Freedom": Social Credit is "the only real opposition" in Saskatchewan and Quebec today; will soon be the major opposition group throughout the Dominion, its national leader, Solon Earl Low, said in Regina; pledged willingness to co-operate with Liberals and Progressive Conservatives "to obtain the maximum of personal freedom," but never with Socialists or Communists "who stand for loss of personal freedom." Lifting of price controls "has not gone far enough," Low, former Alberta Provincial Treasurer, insisted.

Education Tax Stays: Saskatchewan faced another year, at least, of the contentious 2% education tax, although it might be lifted from some items at the Legislature session opening this week. Until last October, when it was removed from foodstuffs, the tax had yielded approximately $5 millions yearly; now it was estimated at $3 millions.

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Manitoba

Milk Supply Failing

Declining milk production "a national problem of the most pressing type," threatens Canada's domestic supply and also her exports of cheese and evaporated milk to the United Kingdom President Robert C. Smellie told the National Dairy Council in Winnipeg: "If we are to continue in the export field, we must find means of encouraging farmers to produce more milk."

Want Farm Immigrants: Canadian Sugar Beet Growers want 5,000 immigrant agricultural workers, to replace German prisoner-of-war and Japanese labor, President H. Sulkers of the Manitoba branch announced; said the placing of healthy young immigrants in the industry would not only prove an asset to the nation, but would be a better policy than "sending food and credit overseas, which they would be unable to repay."

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Ontario

Need 2,900 Nurses

To relieve an acute nursing shortage, Health Minister Russell Temple Kelley planned a system of "certified nursing sisters," who, after a nine-month supervised training course "would be able to do much, although not all, the work of a registered nurse." Kelley reported a shortage of 7,000 beds, 2,900 nurses in hospitals throughout the Province; estimated it would take five years, at least, to fill all needs.

CCF Asks Hospitalization: Government hospitalization and compulsory automobile accident insurance, patterned on Saskatchewan's, were demanded by the CCF group (eight members) in the Legislature. Said Group Leader William John Grummett: Hospitalization is totally inadequate; more hospitals must be built; Saskatchewan built up a $750,000 surplus in one year, under its motor insurance scheme. Meanwhile, the CCF National Council assembled in Ottawa to review "the full range of organizational problems and domestic and foreign policy."

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Quebec

Paper Mills Need Cars

Paper mills in the Saguenay region face a shutdown unless present supply of freight cars is increased tenfold, The Saguenay Industrial Expansion Association was told; planned to appeal to Transport Minister Lionel Chevrier, to make 100 cars a day available to mills at Port Alfred, Jonquiere, Kenogami, River Bend and Dolbeau.

Village Still Cut Off Nearing the end of its second month of winter isolation, the ice-bound Anticosti Island village of Port Meunier, was still dependent on airplanes for food and other necessary supplies. The Government ice-breaker Ernest Lapointe and the relief freighter North Voyageur, bound for the village, abandoned their mercy mission when blocked by impenetrable ice. Residents reported their plight "unpleasant, but not critical."

Recover Cancer Film: Rumors of possible new espionage activities were dispelled, as a Montrealer returned to Royal Victoria Hospital, a "rare and irreplacable" motion picture film on cancer, stolen 48 hours earlier. Ernest Daigneault told police he had bought the motion picture projector and the film it contained, from two unidentified men in a restaurant, for $50; notified authorities as soon as he recognized his purchase.

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New Brunswick

Milk Strike Boomerang?

Saint John milk producers claimed a victory in their 40-day nondelivery strike, but it might yet prove a Pyrrhic one. After the strikers purchased one of the city's food dairies for $55,000, planning to deliver milk to it, the provincial Dairy Products Commission washed out all controls in the area, both on ceiling prices to consumers, and on floor prices to producers: "A majority of district producers apparently no longer desire the protection of the Dairy Products Act." Possibility of lower payments to producers, and a price war in the retail field, was seen.

• • •

Nova Scotia

At Long Last

The Province this week awaited findings of the federal Government's Royal Commission on coal, expected to be tabled in Parliament at the opening of the session Jan. 30. The majority report, representing two years of investigation and deliberation, was drafted by Mr. Justice W. F. Carroll of the Supreme Court of this Province, and Mr. Justice C. C. McLaurin of Alberta. Angus Morrison, president of district 18, UMW, third member of the commission, had submitted a separate report, "not necessarily dissenting, but reaching different conclusions" (The Financial Post Jan. 4).

Nationalize Coal?: Clarence Gillis, CCF M.P. for Cape Breton South, planned to press for nationalization of coal mines, at the parliamentary session opening in Ottawa this week. Said Gillis, himself a former coal miner: "the Dominion Government has been subsidizing Nova Scotia mines for 30 years; should take over full control of them."

Prince Edward Island

Flat Cars Into Bridges

Twelve railway flat cars, built in Canada during the war for Russia, were to be converted into highway bridges for the Island. The Province paid War Assets Corp. approximately $400 for each of the vehicles, 40 feet long, nine feet wide, and capable of carrying a 30-ton load; might be in the market for more.

More Money in Hogs: Increases from $25 to $29 per cwt. in Grade A Wiltshire bacon, announced by the British Food Ministry, should mean an additional $500,000 in the pockets of Island farmers, based on 1946 production (unless feed prices soared). And Livestock Marketing Board officials foresaw the possibility of boosting hog production to 250,000 yearly, which would make the bonus worth $1,250,000. To cope with the feed problem, the Board favored elevator facilities at Charlottetown, (capacity possibly 750,000 bushels) to facilitate grain shipments by water.

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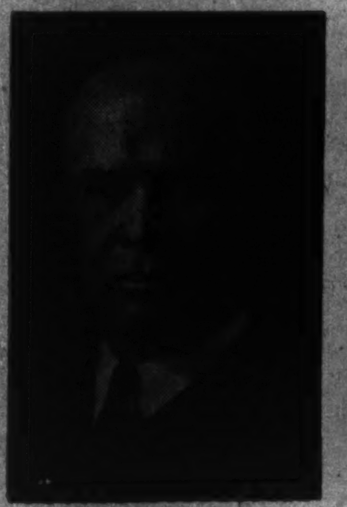

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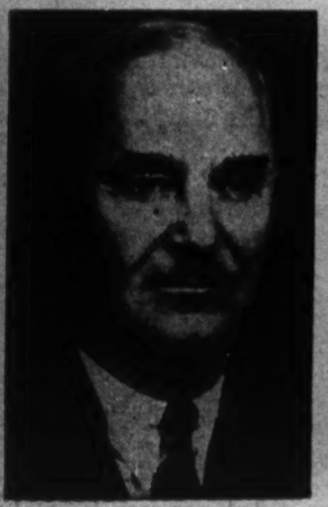

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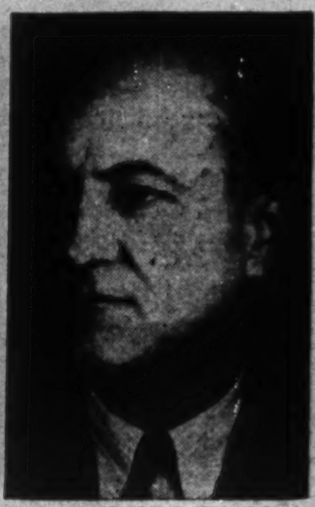

S. BRUCE SMITH, K.C.

National Trust Company Limited announces the appointment of R. J. Dinning, H. E. Pearson and S. Bruce Smith, K.C., as members of the Advisory Board at its Edmonton Office. Mr. Dinning is President of Burns & Company Limited, Mr. Pearson is President of Taylor, Pearson and Carson (Canada) Limited, and Mr. Smith is senior partner of Smith, Clement, Parlee and Whittaker.

Ingersoll Machine and Tool Company, Limited
(Incorporated under the laws of the Dominion of Canada)

New Issue $350,000
4% Cumulative Redeemable Sinking Fund Preferred Shares
(Par Value $100 per share)

Outstanding Issue 81,640 Class A Shares
(no par value)

Cumulative 50c Preferential Dividend, Non-Callable, Participating Stock.

The 4% Cumulative Redeemable Sinking Fund Preferred Shares are entitled to fixed cumulative preferential cash dividends at the rate of 4% per annum payable quarterly (January, April, July and October 1) and cumulative from January 1, 1947; redeemable on 30 days' prior notice at the option of the Company in whole at any time or in part from time to time by lot at $105 per share together with all unpaid and accrued dividends thereon. Beginning in 1948, an annual sinking fund of 10% of the consolidated net earnings (as defined) will be set aside for the redemption of these preferred shares.

The Class A Shares are entitled to fixed cumulative preferential cash dividends at the rate of 50 cents per share per annum payable quarterly (January, April, July and October 1) and cumulative from January 1, 1947; entitled in liquidation first to receive unpaid cumulative dividends and thereafter to share equally share for share with the Class B Shares in distribution of assets. Whenever in any calendar year dividends aggregating 50 cents per share are paid or declared (other than fixed preferential dividends) on the Class B Shares all further dividends declared and payable in such calendar year are to be declared and paid in equal amounts per share on the Class A Shares and Class B Shares.

Complete detailed provisions covering the 4% Cumulative Redeemable Sinking Fund Preferred Shares and the Class A Shares are contained in the Statutory Information forming part of the Prospectus.

Transfer Agent and Registrar: The Canada Trust Company, Toronto

In the opinion of counsel the 4% Cumulative Redeemable Sinking Fund Preferred Shares and the Class A Shares will be investments in which The Canadian and British Insurance Companies Act, 1932 (Dominion) as amended, states that companies registered under it may invest their funds.

Capitalization
(Upon completion of present financing)

	Authorized	Issued and Outstanding
4% Cumulative Redeemable Sinking Fund Preferred Shares of $100 par value	$350,000	$350,000
Class A Shares no par value	100,000 shares	82,040 shares
Class B Shares no par value	100,000 shares	82,040 shares

Listing of the Class A Shares on The Toronto Stock Exchange has been granted subject to filing of documents and evidence of satisfactory distribution being furnished.

The Class A Shares are being purchased from shareholders of the Company and the proceeds from the sale of such shares by us will not be paid into the treasury of the Company.

We offer as principals the 4% Cumulative Redeemable Sinking Fund Preferred Shares and the Class A Shares subject to prior sale and change in price, if, as and when received and accepted by us, subject to the approval of all legal details by Messrs. Holmested, Sutton, Hill & Kemp, Toronto, counsel for the Company, and by our counsel, Messrs. Fraser, Beatty, Tucker, McIntosh & Stewart, Toronto.

PRICES
4% Preferred Shares - $100 per share to yield 4%
Class A Shares - $10 per share to yield 5%

It is expected that Interim Certificates will be ready for delivery on or about February 15, 1947.

A Prospectus, a copy of which has been filed under the provisions of The Companies Act, 1934, as amended, will be promptly furnished upon request.

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The statements contained herein are based upon information which we believe to be reliable but are not guaranteed by us.

The Financial Post

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What Happens When Foreign Credit Honeymoon Is Over?

France Has Already Spent Nearly All Of Her $242 Million Canadian Loan How Can We Keep Trade Moving Now?

By KENNETH R. WILSON

OTTAWA (Staff)—The shadow of Canada's Number One postwar trade problem emerged here recently following official publicity about a new Franco-Canadian agreement on private trade.

The problem: how to get back to normal commercial trade relations once the honeymoon of a $2 billions trade credit spree is over.

The new French agreement clears the way for resumption of private trade between the two countries—the first since 1939. It conjures in the minds of Canadian exporters new opportunities in the French market. To Canadians it suggests perhaps superb French brandy, champagne, perfume, roquefort cheese, dresses, linens, etc.

But there may be many a slip between the cup and the lip. For these reasons:

1. France has exhausted her $242.5 million credit. Even counting in all available resources she has presently not more than $4 or $5 millions of Canadian dollars left with which to finance Canadian exports through private trade channels.

2. The French are obviously disappointed at the barriers they find in postwar Canada which, they say, block anything more than "token" sales of good wines, brandy, perfume, etc. They charge that high and prohibitive Canadian taxes, plus the monopolistic operations of provincial liquor boards, are typical of factors which make it difficult for France to earn more Canadian dollars with which to keep trade wheels turning. (On our part, Canadian officials point to the artificial level of the franc and to French adherence to "block" trading and "barter" as adverse factors over which we in Canada have little or no control.)

Trade Balance Shifts

Looking back to pre-war days, imports from France to Canada totalled close to $6 millions annually; Canadian exports $8 or $9 millions—or even more in years when France wanted a lot of Canadian wheat.

That was the pattern in years immediately preceding the war. But turn back the pages to 1929 and we find that Canadians were buying French goods at the rate of $25 millions annually. And this at a time when Canadian sales to France were never more than $15 millions.

Now the pattern has been completely changed by the war. Since November, 1944, France has placed in Canada orders to an amount of $349 millions. Breakdown of these orders is shown in the accompanying chart.

FRENCH MISSION PURCHASE COMMITMENTS IN CANADA

(Nov., 1944, to Jan., 1947)

Agricultural and Food Products	
Wheat	$73,000,000
Milk	1,200,000
Horses	1,200,000
Fish	1,400,000
Miscellaneous	13,200,000
Total	$90,000,000
Industrial Supplies	
Lumber and wood products	$ 3,500,000
Nonferrous metals	28,000,000
Asbestos	4,700,000
Nitrate	6,500,000
Rubber (synthetics)	2,900,000
Rails	3,000,000
Miscellaneous	13,900,000
Total	$62,500,000
Industrial Equipment	
Ships (200,000 tons)	$62,000,000
Freight cars (5,000), locomotives (140)	35,000,000
Harbor equipment	18,000,000
Trucks and spare parts	32,000,000
Farm equipment	5,000,000
Prefabricated houses	2,500,000
Equipment for colonies	8,000,000
Miscellaneous	4,500,000
Total	$167,000,000
Freight and handling charges	$29,000,000

To date only 60% of this business has been delivered and paid for. The remainder will probably be filled during 1947. Payment to date has been $73 millions from French cash resources; $144 millions out of proceeds of the $242.5 millions Canadian credit.

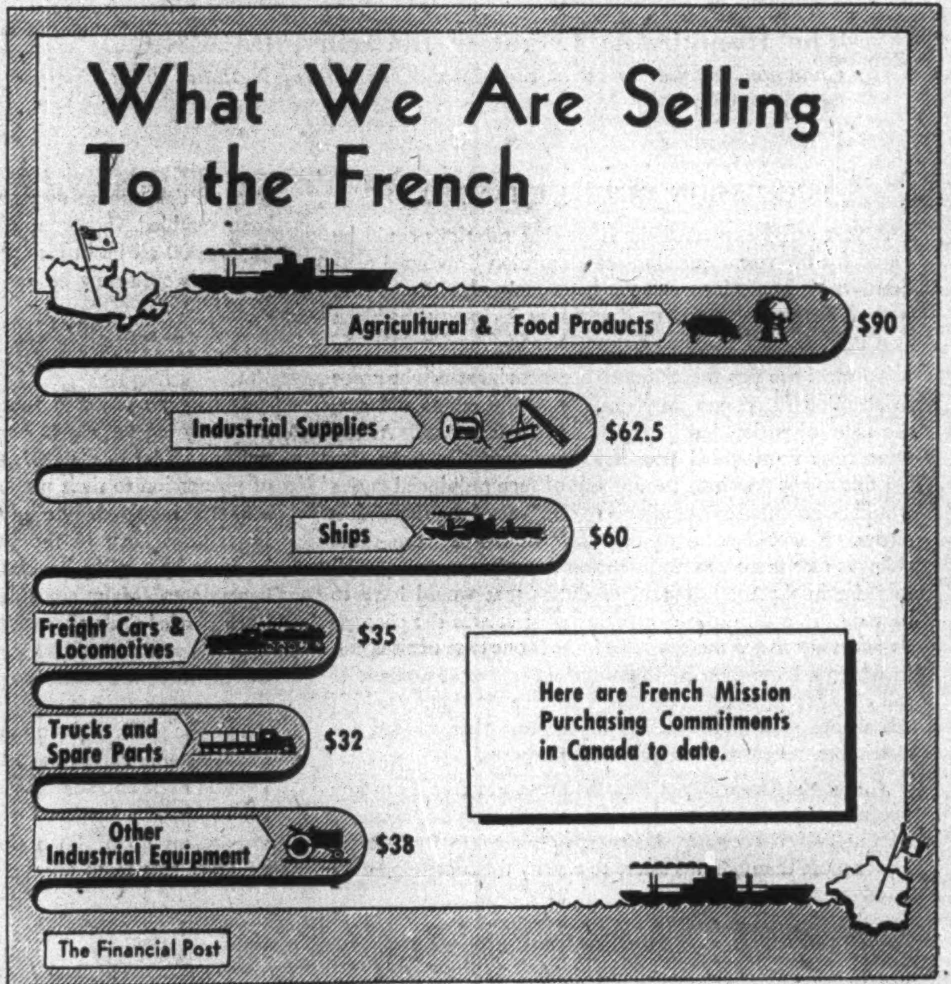
Although the French have not actually paid out all their Canadian dollar assets, their commitments are now stated as within $13 millions of total available resources. Added to which they expect to pay an extra $8 or $9 millions to meet higher prices on goods where there is an escalator price clause.

Resources Running Low

Thus "available" resources for private trade through 1947 are put at only $4 to $5 millions. That is: unless the Canadian Government heeds French requests and grants an additional $50 millions for railway cars, ships, tractors, etc. Such money would not actually be available for private trade but might relieve the pressure on other resources and free some more Canadian dollars.

Otherwise, only available new sources of dollars would be: French exports to Canada; requisitioning of liquid holdings of French nationals in Canada (a nonrecurring item); possibility of French and Canadian commercial interests taking advantage of the $200 millions "guarantee fund" by which the Canadian Government transactions financed through commercial channels; or the granting to France of a loan by the new World Bank.

In the first 10 months of 1946 French exports to Canada totalled only $3 millions. In November a further $1 million of goods came in. France would like to see this figure rise to at least $15 millions, and, if possible, bounce back to $25 millions. It is obvious that this is essential if there is going to be any continuing flow of Canadian goods to France. For in addition to finding dollars to finance continuing Canadian exports, the French must soon find an additional $12 millions to "service" their $242.5 millions loan. (The loan, bearing interest at 3%, is repayable in 30 installments commencing this year.)



But French officials are currently pessimistic about this sort of thing happening very easily.

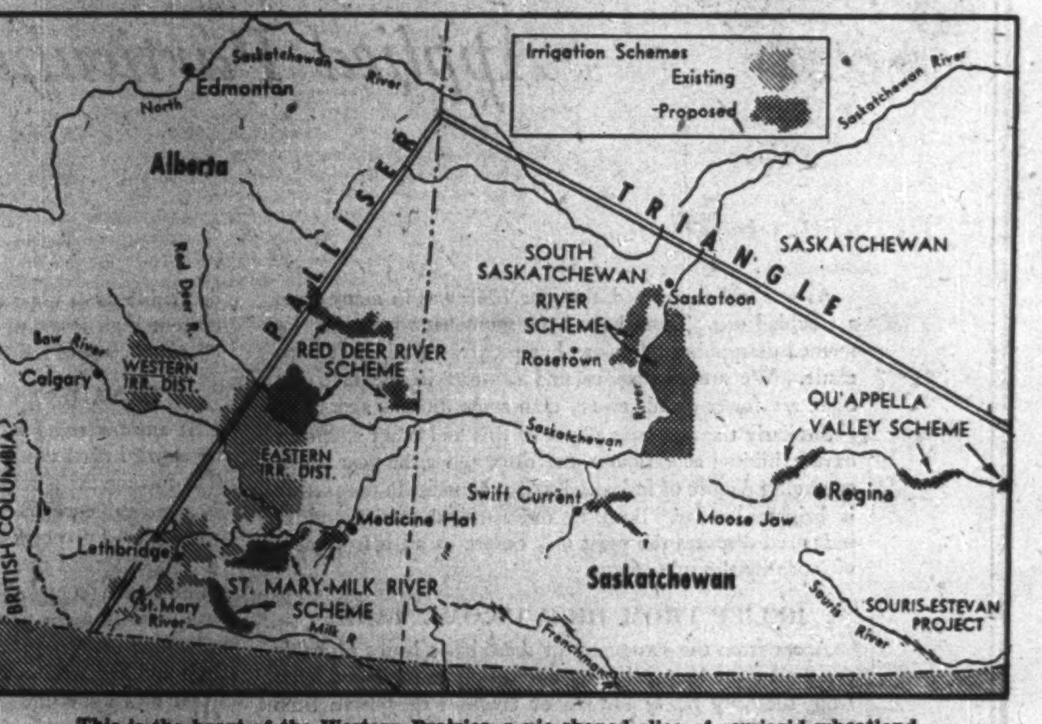
Take, for example, French brandy and wines. In 1929 Canada purchased $5 millions of these. Now (it is alleged) French cognac worth $2 a bottle in France costs Canadian consumers $7.50, by the time provincial liquor control boards plus government taxes have had their "cut." As well, federal prohibition of advertising makes it impossible, thus far, to advertise, and thus restore the lost appetite for these high-grade products.

Similarly with perfume. In 1929 France sold nearly a million dollars worth of perfume and cosmetics in Canada. But today the Canadian duty of 60%, plus 25% luxury tax on landed cost, plus 8% sales tax, makes prices in Canada prohibitive.

Biggest French "line" in 1929 was textile and clothing of all sorts. Total value of 1929 sales, including fine leathers, exceeded $10 millions. Momentarily, stocks are not large, but two difficulties loom: (1) the unsatisfactory rate of exchange on francs; (2) the fact that the French find it easy and profitable to use available supplies in "selected" markets where a direct "barter" or "commodity" deal can be advantageously arranged.

$100 Millions for Water

Irrigation Means End of Dustbowl Havoc in the West



This is the heart of the Western Prairies, a pie-shaped slice of semiarid wheatland, 100,000 miles square, called the Palliser Triangle. This is the dry belt where rainfall is limited to 8-16 inches and which the West hopes to see transformed into a land of plenty through a $100 million long-range irrigation program.

The West's urgent cry for water to banish the spectre of recurring droughts which has haunted the prairies for decades was answered this month by Canada's minister of agriculture, Hon. J. G. Gardiner. Before the Lethbridge Board of Trade he assured industry and agriculture that $100 millions in federal funds will be made available for a long-range program of irrigation.

This was the kind of news the West has been waiting to hear. For years farmers and businessmen had been pleading for a planned system of irrigation to transform the dry bowl into "green acres." Much had been done in southern Alberta and Saskatchewan. Two major projects have been completed; a third, and by far the greatest—the St. Mary-Milk River scheme—got under way last month. But there was much still to be done. Now it looks as though the West's hopes were to be realized.

While the Dominion appeared to be ready for major financial expenditures, the eventual success of a land and water conservation project rested on Dominion-provincial co-operation on cost and administration. After talking to the Lethbridge Board of Trade, Jimmie Gardiner called on Alberta's Premier Manning to see what could be done about this. All anyone would say after the meeting was that progress had been made.

Will Set the Pattern

The first step in the current and contemplated program is the $20 million St. Mary scheme, 35 miles southwest of Lethbridge. This will set the pattern for joint Dominion-provincial water development, Gardiner said, indicating that the time had come for extensive irrigation and power development in the Saskatchewan River basin.

He favored a Bow River development north and west of Medicine Hat; the South Macleod project; the Red Deer River diversion and irrigation schemes in Saskatchewan and Manitoba. With these projects he coupled a program for establishment of small industries "beside the farms" to give part-time work to rural people.

The minister's announcement fittingly came shortly after the West's greatest irrigation scheme got under way last month when work began on what will be Canada's largest dam. The dam key structure of the vast St. Mary scheme will be 186 ft. high. It will back up the river to form a lake 14 miles square containing 320,000 acre-feet of water.

The contracting firm is W. C. Wells Construction Co. of Wilkie, Sask. The dam will cost about $2 millions. With spillway, outlet control works and a main canal, the complete dam unit will likely run into $5 millions. Cost of the whole project, including a 2,100-ft. river diversion tunnel and a 2,500-ft. irrigation tunnel, will probably amount to $20 millions. Work on the tunnels is under way.

Irrigate 345,000 Acres

Coming after the Alberta river and irrigation project was developed in the first stage of the program and the Lethbridge Northern Irrigation district in the second, the new scheme will ultimately place another 345,000 acres of potential "dustbowl" land under irrigation. It the same time it will guarantee sufficient water for the 120,000 acres already under the ditch. At present the Lethbridge area has 260,000 acres under irrigation.

Other projects being surveyed and estimated for cost are:

Extensions of the Canada Land and Irrigation Co. project northwest of Medicine Hat.

Expansion of the Red Deer River and Buffalo Lake scheme in the east central area of Alberta.

In addition, 150 smaller projects for water storage and irrigation have been surveyed. If completed, they would provide Moose Jaw and Regina with an unfailing water supply from the South Saskatchewan River; restore the water table and lake levels and do much to offset the damage caused by recurring droughts over a large part of the western section of the Palliser Triangle.

This triangle is a huge area of flat land extending from Coutts to Hanna in Alberta, to Saskatoon and the international boundary in southwestern Manitoba. This is the area of limited rainfall—from 8-16 inches. It used to be the great buffalo grazing grounds. It is the northern tip of the Great Plains of the United States midwest.

Water Means Life

Fifteen inches of rain can mean the difference between a bumper and a poor crop. Lack of two or three inches during the critical growing months of May, June and July may undo a wheat farmer's year of toil. To overcome Nature's whims, man decided on irrigation. In every case where he so decided and acted the uncertainty was removed from the farmer's life. Water means life for the West whether it is the gentle rain or whether it comes from a rude "dugout" or small farm reservoir or from the great water conservation projects which cost millions.

Take the case of the Taber irrigation project which serves 25,000 acres east of Lethbridge. Here in 1944, 9,000 acres of sugar beets returned a gross of $1 million. In 1910 this land was just cow range. Had it remained cow land it is estimated it would produce a gross of $5,625 in beef cattle. That's about 62½c. an acre. The sugar beet crop works out to $115.50 an acre.

In 1943 there were 19 major projects in operation in Alberta. They were capable of supplying water to over 500,000 acres of which 340,000 were actually under irrigation. In addition, there were 616 private projects, most of them established under the Prairie Farm Rehabilitation Act. Since then a number of fairly large schemes have been completed. They are in the Swift Current, Maple Creek and Val Marie districts of southwestern Saskatchewan.

But these projects only irrigate a small area of the arable land on the prairies. There are millions of acres in the Palliser Triangle which would be just as fertile as the Taber land if water could be impounded and applied to it during the dry growing season.

Irrigation Islands

No one suggests that it would be economically feasible to irrigate all the land, even if it were physically possible. What the Prairie Farm Rehabilitation organization is seeking to do is create little islands of irrigation by means of dams and dugouts on individual farms. These, it is hoped, will make it impossible for drought to starve the farmer and his family off the farm.

Another important factor involved is the beneficial secondary effect it has on protecting great natural water reservoirs which have been slowly drying up during the last 25 years. This was caused by the breaking up of the land for grain crops which prevented the natural run-off from refilling these lakes.

Still another possible advantage from such schemes might be the development of hydro-electric power in the diversion of rivers. There is a growing demand in the West for rural electrification. Even navigation on larger rivers is hinted at as a possible outcome of a farseeing program of water conservation.

Last year was a memorable one for the West. The crop was good; farm income in southern Alberta, for instance, increased 25%; higher prices are giving the farmer a decent return for this labor. Now the granary of Canada is looking to the future. Whether the West goes on to greater productivity and wealth depends to a great extent on irrigation.

How to Keep Out of Trouble—IX

That Fine Type on Your Fire Insurance Policy Shows Exactly What Protection You Are Buying

By D. G. MACLEAN

Here are some things you should know about your fire insurance policy.

In legal terminology, it is a "contract of indemnity to reimburse you for loss sustained." In other words, no property owner is expected or entitled to make a profit out of his fire insurance policy.

If a loss occurs it will be adjusted on the basis of the actual cash value at the time of the loss less depreciation, the total payment being limited by the face value stated in the contract.

Your fire insurance policy is usually for a term of three years. If you pay for it on this basis you pay two and one half times the regular annual premium, thereby saving approximately 17%.

But while your policy may be drawn for a three-year term, it should be reviewed at least once a year because the value of your property may change, and you may want to increase or decrease the amount of insurance carried.

Read your policy thoroughly. Its terms are broad and it gives coverage against perils of fire and lightning, loss of rental value of house and furnishings.

Protection against loss by various other perils, including water escape damage, riot or civil commotion, malicious damage or damage by explosion, impact of motor vehicles or aircraft, and windstorm can be added by a supplemental contract for a moderate extra premium.

But unless this supplemental contract is added and you have a loss due to one of these causes you may not be able to collect a cent.

Read the Fine Type

Be sure especially to read the "statutory conditions." These are the little paragraphs in small type on the back of the policy. Reading them may prevent many disappointments if you have a fire because they tell you certain things which you as a policyholder are supposed to do and other things which you are supposed not to do to keep the insurance cover valid. If you haven't read them and unwittingly do something prohibited by the policy or neglect to do something you should do your policy may be void. Among other things which these statutory conditions require are the following:

If you are going to make any alterations or repairs to your buildings which will take more than 15 days during the year, notify your insurance company and get permission.

All repairs increase the fire hazard because workmen may be smoking, using blow torches around the building or doing other things which might cause a fire. The fire insurance men provided for a reasonable amount of this in calculating the premium on your policy. But 15 days is regarded as a normal period for repairs to any house in any one year. If repair work takes longer than this the fire hazard is increased accordingly and the company is entitled to know about it.

If you generate illuminating gas or vapor in your building or keep stored more than five gallons of coal oil or similar products for heating, cooking or lighting, or more than one quart of gasoline, be sure to get authority from your insurance company. In this and other similar matters the insurance companies are fairly liberal but they want to know just what is going on.

Don't leave your building vacant or unoccupied for more than 30 consecutive days without notifying your company. An unoccupied dwelling is regarded as a poor fire risk because of the danger of tramps, especially in the rural section. Moreover, if a fire starts due to some controllable cause the chances of it being discovered are not so good when the building is unoccupied. Accordingly the fire insurance company is entitled to know if your house is going to be vacant for more than 30 days.

According to a recent legal decision, even if you stay overnight occasionally, or an odd week end at your property during the 30 days it is not considered occupancy in the sense required by the policy.

These Require Special Coverage

Your fire insurance policy does not cover electrical appliances or devices damaged by lightning or other electrical currents. These have to be insured under the supplemental contract. This protection, however, is easily available as an endorsement to your fire insurance policy. Unless otherwise specifically stated in the policy, money, account books, securities, mortgage deeds, automobiles, etc., are not covered by the regular policy. Automobiles are insurable under an automobile fire insurance policy, while if the company were to insure securities or money it would be impossible for it to check the actual loss.

GOSH, LADY- DONTCHA KNOW A HOT HOUSE IS UNHEALTHY?

"All repair work increases fire hazard. Workers may be . . . using blow torches."

If you make any changes on your property which are likely to affect the fire risk, be sure to notify your company. Some changes may add greatly to the fire hazard and accordingly if the company is not notified the contract would be invalidated.

For example if you begin manufacturing in your residential premises or storing large stocks of merchandise, that would be a "change material to the risk."

If you install certain types of heating apparatus or build additions to your house it would alter the risk. In any case, the safe thing to do is notify your company of any major changes.

Remember that if you allow your chimney or stove pipes to become defective or if you store ashes and embers in wooden vessels and fire results, the company is not liable.

If your home is damaged or destroyed by fire, the insurance company may not pay you any money at all. Instead, it may repair, rebuild or replace the property damaged, if it notifies you of its intention to do so within 15 days after it has been furnished with proof of loss.

If you buy property already insured, make sure the insurance is transferred to your name. Otherwise if a fire comes, you may not be able to collect a cent. (This does not apply where change of ownership is due to process of law as under the Bankruptcy Act, or due to death.)

You can terminate the insurance by giving the company written notice and surrendering the policy. The company will then refund the excess premium paid. The policy, of course, provides a minimum "short-rate" proportion of the premium that is not refundable when the policy is cancelled before maturity.

Your insurance company can terminate your policy by giving you 15 days' notice by registered mail or five days' notice personally delivered. If on the cash plan the company will refund the difference between the premium you have paid and the premium you would have been charged for the period that the policy was actually in effect.

What to Do in a Fire

If you have a fire loss notify your company at once. Even if it is in the middle of the night don't hesitate to call the company representative or your agent.

It will probably save them considerable money and inconvenience later on if they get on the job of appraising the damage early. In large fires the insurance companies would prefer to have their adjuster on the scene while the fire is still going on.

Unless you particularly want to, it is not necessary to employ an adjuster to look after your claim. Most of the fire insurance companies use the services of independent adjusters and these, contrary to general belief, don't act as attorneys of the insurance company but as impartial arbitrators between you and your company. As a general rule, where there has been no fraud and misrepresentation, householders are surprised at the generosity with which their claims are handled by the company.

Keep an inventory of all goods insured. This is especially desirable in regard to personal effects and house furniture and furnishings. A list of the articles contained in your house with their approximate value or cost will save a great deal of trouble later on. It will be of much assistance to you in making your claim, as otherwise you may forget a lot of things that have been destroyed. It also enables the insurance company to form a correct idea of what they should pay.

Don't try to put anything over your insurance company.

For example, if a man with a salary of $50 a week claims that his wife had a $1,500 fur coat the company will be understandably sceptical. It might be true, but the adjuster will want an explanation before he will allow it. The same thing would occur as regards unusually valuable articles of jewellery, paintings, works of art and so on. If you have things like antiques for which it is difficult to fix the actual market value, it is always wise to specify them particularly in the policy. At any rate you should note them in an inventory which you can submit to the company after the fire.

But don't expect that you can collect too much for things which you value very highly because of their sentimental values. It is impossible to appraise accurately sentimental values. For example, the bed in which your grandfather died may be of great value to you but it would be impossible to set a value on it for replacement purposes.

One other important thing is to keep your fire insurance policy where it can be got at quickly. The policy is the evidence of your insurance protection and it should always be readily available.

Ask Lower Income Taxes

"If Any Tax Relief is Given, it is to be hoped that it may be Applied Particularly in the Field of Personal Income Taxes"

The Honourable Leighton McCarthy, P.C., K.C.,
Chairman of the Board at the Annual Meeting of National Trust Company

As was to be expected, the year 1946 was in many ways a troubled one. There have been moments when progress seemed disappointingly slow, but progress has in fact been made. We are entitled to find comfort in the fact that there are fewer clouds to-day than some months ago.

Similarly the domestic affairs of this and other countries have exhibited at various times throughout the year a discouraging picture of industrial strife. Here again the picture is brighter to-day. Both in international affairs and in industrial disputes the great task before us all is to replace violence by the rule of law.

RELIEF FROM HIGH INCOME TAXES

Apart from the settlement of these basic issues probably the need most keenly felt by our people is for some relief from the very heavy burden of taxation they have been bearing. Of course, it is not possible for this or any country to fight two great wars in one generation without incurring great responsibilities that must be discharged. Some of those who complain most loudly about high taxation are also the most critical of deficit financing as inflationary. We cannot have it both ways. If the interest on war loans, pensions, family allowances and so on are to be met out of government revenues, as over a period they must be, then no return to pre-war levels of taxation is a possibility. Nevertheless encouraging reports about the state of the country's finances do enable us to hope that some measure of relief from the current high levels of taxation may be possible and, if so, all parties would unite in welcoming them.

CANADIANS ATTRACTED TO U.S.A.

If any tax relief is given, it is to be hoped that it may be applied particularly in the field of personal income taxes. The income tax is felt directly by nearly everyone and there is some evidence its weight has been a contributing cause to industrial disputes. Moreover reference is often made to a comparison of rates of income tax in the United States. While such comparisons are not always fair, they carry weight with many people, particularly young men deciding where to employ their talents. We have lost many of our best and brightest in the war. It would be a double tragedy if we now lost still more of our young professional men and technicians by emigration.

The burden of the personal income tax presents itself to a trust company in almost every possible form. The vast majority of our beneficiaries are not people of great wealth but of moderate means dependent either wholly or in large part on the income from the trust funds in our care. From the economic point of view these people have suffered more from the war than any other single class. They are entitled now to whatever measure of relief it may be possible to give them.

SUCCESSION DUTIES CHANGED

A year ago I expressed the hope that solutions could be found for the vexed questions of Dominion-Provincial relations. Such hopes have not yet been realized, although the outlook for eventual settlement is not perhaps quite as black as it is sometimes made to appear.

To meet the possibility that some provinces might agree to abandon succession duty taxation while others did not, the Dominion doubled its rates of succession duty. At the same time it provided that if succession duties were also payable to any province, the amount of such provincial duties would be accepted as a credit up to one-half of the Dominion duties. It would seem to be a fair inference from these changes that there was no intention to make any substantial increase in the total amount of duties that would have to be paid. In fact in the vast majority of estates the changes do not result in any increase. But there is one type of situation in which a large increase in taxes does follow as a result of the changes in rates. The case I refer to is that in which the whole or a large part of an estate is bequeathed for charitable, religious or educational purposes.

Under the Ontario Act such bequests are free from any tax; under the Dominion Act they are free only to the extent of one-half the estate. If, therefore, anyone in Ontario leaves more than half his estate to charity the succession duty rates on the amount over and above one-half have in effect been doubled. For example, in the case of an estate of $2,000,000 all passing to Ontario charities, the total duties payable would now be approximately $500,000 instead of $250,000.

CHARITABLE DONATIONS AFFECTED

It may be objected that such cases, i.e., cases of large estates going largely to charity, must be relatively few in number. That of course is true, but their importance is out of proportion to their numbers because of the amounts that may be involved. Religious, charitable and educational institutions have in the past benefited very largely from bequests by wealthy benefactors, particularly those with few dependents. Many educational institutions have derived a large part of their endowments in this way, and some were founded as the result of such bequests. I cannot believe it was the intention of the Government to discourage charitable donations or to penalize institutions that exist solely for the public good. Now that the effect of the changes referred to has been drawn to the attention of the proper authorities, I would hope amendments can be made to relieve such institutions from a burden I do not believe it was intended to impose on them. Such changes are required to rectify a situation that is, to say the least, anomalous.

More than a Million Dollars a Month Paid on Behalf of Beneficiaries

H. V. Laughton, K.C., ***Vice-President and General Manager***

The statement presented to the shareholders to-day shows an improvement in every way in the position of the Company. Assets under administration at the end of the year total $337,000,000. This figure represents an increase over last year of $11,000,000 and over the past twenty years of almost $180,000,000.

$150,000,000 PAID IN TEN YEARS

In the past ten years total payments to or on behalf of those for whom we act in various fiduciary capacities reached the amazing total of over $150,000,000, an average of more than a million dollars a month. The net increase in the total of the assets held in this account was approximately $50,000,000.

The foregoing figures demonstrate far more effectively than anything I can say the continued and increasing confidence of the public in our Company. The Trust Company is a service organization, and only by giving efficient service can it hold its business and look for new business in the future.

CHOICE OF EXECUTOR IS IMPORTANT

What I have just said regarding the growth of our business indicates that more and more people are giving very careful consideration to the choice of an executor. Too many have allowed that choice to be more or less determined by matters of friendship or negligible saving in cost of service. In many cases where the choice has been a corporate executor the selection has been made on the assumption without investigation that one Trust Company will do as good a job as another.

Since this Company was founded almost fifty years ago, there is one thing perhaps above all others that has impressed me. I refer to the adherence to the principles of integrity and strict trusteeship laid down by the Directors and established firmly by the first General Manager, Sir Thomas White.

There has been another very substantial increase in the potential business of the Company which does not appear in the Balance Sheet. I refer to the appointment of the Company as executor of wills of those who are still living. We have found that more and more people instead of worrying in a general way about succession duties and taxes are approaching the matter in a logical manner. More and more advantage is being taken of our willingness to give advice based not on theory but on actual administrative experience and study, and although this service has been given without any suggestion of obligation it is resulting more and more often in our appointment as executor.

TRUSTEE FOR MORE PENSION PLANS

In my remarks last year I referred to the services we were prepared to offer to employers in setting up pension and superannuation plans. During the year we have assisted in working out numerous new plans, and I am pleased to report a gratifying increase in the number of plans under which we have been asked to assume the duties of trustee. The experience gained in recent years puts us in even a better position to be of real assistance to employers who are considering such arrangements for their employees.

In referring to pension and superannuation plans I must make some reference to an amendment to the Income Tax Act made at the last session of the Dominion Parliament. As the law stood until the 26th of June, 1946, where a single lump sum payment was made out of a superannuation or pension fund or plan upon the death, withdrawal or retirement of an employee, one-third only of such amount was taxed as income, and where such a payment was made other than out of a superannuation fund for loss of office or employment one-fifth only of such payment was deemed for the purpose of taxation to be income of the taxpayer in the year in which it was received and one-fifth deemed to be income in each of the four succeeding years. In other words, where a lump sum payment was made instead of providing an annual retiring allowance the Government in the one case allowed an exemption of two-thirds and in the other allowed the sum to be spread over five years for taxation purposes even though it was paid in one year.

TAX AMENDMENT PENALIZES PENSIONERS

This was a very fair provision, as the taxing of the whole amount in one year would have amounted in many cases almost to confiscation of the whole amount owing to the heavy rates of taxation. Under the amendment to which I refer these concessions have been repealed and in the case of *any* such lump sum payment made after the 26th of June last the whole amount will be taxed and taxed in one year. The only alleviation of the hardship produced by the taxation of this whole amount in one year is the option given to the taxpayer to have it taxed either as part of his income in the year he receives it at whatever rate may be in force or to pay taxes on it in the year he receives it at the average rate of taxation he paid in his last year of full employment with the company with which he was employed.

Trust Companies and Insurance Companies see perhaps more clearly the effect of this change in taxation, but not only they but all other companies concerned have been very much disturbed and hope that upon further consideration some basis of spreading the taxation over a period of years will be restored. The total amount involved in taxation cannot be important in relation to the total of taxes imposed, and during a period when taxes are being reduced it seems difficult to defend a change in policy that will increase the taxes against individuals mostly of small income and at a time when owing to death or loss of employment income has been reduced.

COMPANY AIDS DEPENDENTS

In these days when taxing governments upon the death of a person tie up every asset until duties have been paid or secured we are often asked how we manage to provide for the living expenses of widows and other dependents until assets can be released and cash made available. If there are liquid assets we can usually arrange for release of a reasonable amount upon giving our personal bond or lodging security. In any event we do not hesitate to advance our own funds to meet the immediate necessities of the family.

LOWER INCOME TAXES IMPERATIVE

The Chairman has referred to the urgent need of reduced taxation. We have seen a great deal in the press lately regarding the number of Canadians going to the United States induced in many cases by the lower rates of taxation there. This is a very serious matter indeed, and if the suggested 20 per cent. cut in the United States personal income taxes should become effective a great impetus will be given to this undesirable movement. Even at the present time, taking the taxes that will be in force for 1947 in Canada and those which were in force for 1946 in the United States, a married man with two children residing in Canada pays 33 per cent. more on an income of $3,000, 51 per cent. more on an income of $7,500, 45 per cent. more on an income of $10,000 and 28 per cent. more on an income of $20,000. If the suggested U.S. reduction becomes effective these percentages will be increased to 66, 89, 82 and 60 respectively. It is imperative that some further reduction be made in Canada regardless of what is done in the United States.

Our savings deposits once more show a very substantial increase of more than $3,000,000, amounting at the end of the year to over $25,000,000 even though there have been heavy withdrawals by depositors for investment in Dominion of Canada loans. The liquidity ratio to trust deposits is now over 100 per cent.

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We are now seeking Canadian Commodities to offer for export . . . primary products of all types, foodstuffs, textiles, etc., and manufactured articles competitively priced and possessing potential good export markets. WE BUY TO OUR OWN ACCOUNT . . . SUBSTANTIAL FINANCING IS AVAILABLE. In particular (although not essential) exclusive agencies are solicited for our Associate Companies. We will work on long-range plans.

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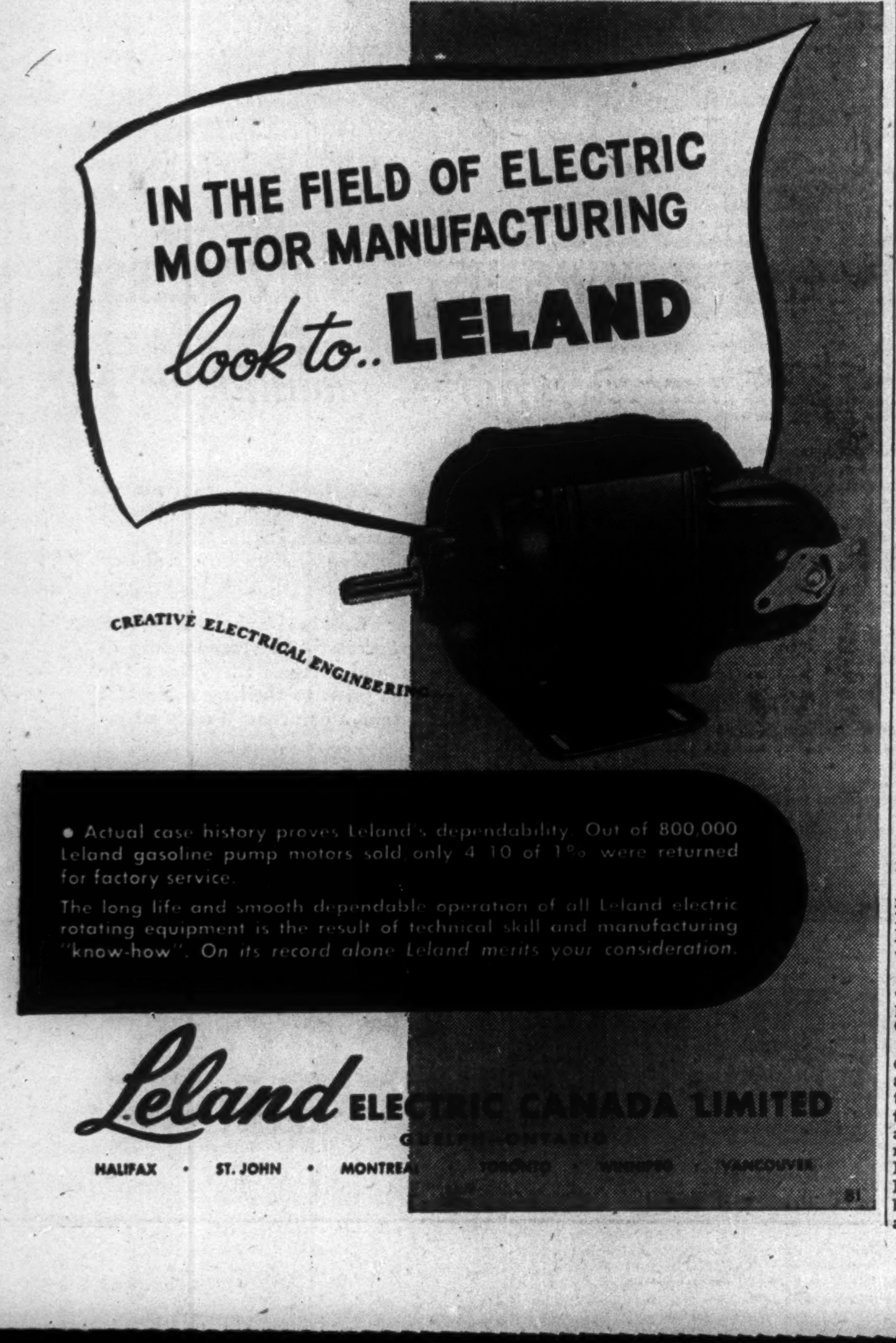
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INCOME TAX

Bond Coupons Due Dec. 31

I hold some New Brunswick Power Co. bonds due June 30, 1964, interest payable June 30 and Dec. 31. If I cashed coupons dated Dec. 31, 1946, on Jan. 2, 1947, can I include this money in my 1947 tax return or should it be included in my 1946 return?

The usual practice is to tax proceeds of bond coupons in the year in which cashed. Accordingly you should include the cash received in your 1947 tax return.

Depreciation for Part Year

On Aug. 31 I bought an apartment house as an investment. For income tax purposes how much depreciation am I allowed to charge on this building for 1946? For the full year or only from the exact date of my purchase?

You are allowed to charge depreciation only from the date of your purchase, that is from Aug. 31.

INVESTMENTS

Canada Cement

What is the position and the prospects for the payment of a dividend on Canada Cement Co. common?

Canada Cement Co. is engaged in the production of Portland cement operating manufacturing plants in various parts of Canada. The company handles approximately 4/5 of the total Canadian cement business, as well as engaging in the export business.

During 1946 several steps were taken by the company to reorganize the capital structure as it existed previously. Both preferred and common shareholders approved on Aug. 22, 1946, a compromise plan designed to eliminate arrears of dividends on the 6½% preference shares totalling $40.25 per share as at March 20, 1946.

Under the rearrangement the 6½% sinking fund cumulative preferred shares, par value $100, were divided into five cumulative preferred shares, $20 par value, callable at $30 and bearing an annual dividend of $1.30 per share.

As a result of this compromise, all arrears of dividends on the old preference shares were extinguished and the rights of the preference shareholders in respect of such arrears were recognized in the increased call price of the new shares. Following an amendment proposed by the Rt. Hon. Arthur Meighen and approved at the meeting, the company undertook not to disburse, except as dividends on the preferred stock, the sum of $875,000 in earned surplus nor $330,271 of deferred surplus.

This plan will enable common stockholders to realize dividends earlier than would have been the case with $8 millions of dividend arrears on the preferred ranking senior, but the plan of itself doesn't reduce annual dividend requirements on the preferred and so from this yardstick does not improve the earning position of the common stockholders.

The company gave notice that on Nov. 2, 1946, it would redeem the $8½ millions outstanding 4¼% first mortgage bonds due 1951 at 101 and accrued interest. A new issue of $3½ million five-year serial bonds were sold privately with the balance of the funds for retiring the old bonds being provided out of working capital. As a result of this refinancing operation the bond interest will now be less than $80,000 per year for the company and in five years should disappear entirely. On the basis of the old bonds outstanding bond interest charges total $371,250 annually.

The annual report for the year ended Nov. 30, 1946, has just appeared and is covered elsewhere in this issue. It shows earnings of $1.47 a common share, including refundable EPT as against a deficit available for the common in the previous year.

Jasper Porcupine

I have been advised to purchase some shares in Jasper Porcupine Mines. What stage has the company reached in its program and what indications of success, if any, have been met with?

Jasper Porcupine Mines has announced plans for sinking a shaft, but we have received no word of actual work being started. It is presumed that the company must arrange the necessary finances for this program.

Extensive diamond drilling has been carried out on the company's property and in deep drilling carried out during the past year or so, the company obtained a number of commercial ore intersections including assays of $11.20 and $12.60 over 2-ft. sections in one hole. Location of the company's property adjoining Delnite Mines to the west is regarded as fairly strategic as covering the extension of the Aunor-Delnite zone but the company has most of its three-million share capital issued, and some form of share reorganization may be necessary to finance sinking of a shaft to 1,000-ft. depth or more.

Canada Faces Lumber Export Drop As Scandinavian Competition Grows

Canada today is riding the crest of a still-surging wave of demand for her timber products. The whole world is clamoring for them. But how long will this demand last? What happens when the boom is over?

H. R. MacMillan, one of Canada's biggest timber exporters, offers some sobering thoughts on this point. He sees nothing to indicate that this demand will continue when Scandinavian Europe gets into the market and predicts price levels "must inevitably move downward."

In view of the widespread investment interest in the securities of B. C. lumber companies, a digest of Mr. MacMillan's report on market conditions, presented at the annual meeting of H. R. MacMillan Export Co. is presented herewith.

The forest industries of British Columbia, like the grain industries of the prairie provinces, are developed away beyond any possible Canadian demand. About 60% of the lumber and 50% of the plywood produced in the British Columbia coast region.

In the 16 years from 1930 to 1945 production on the B. C. coast, excluding the Prince Rupert region from which export negligible, averaged 1,609 million feet board measure. Exports averaged 1,011 million feet board measure or 62.8% of production. This illustrates the degree to which British Columbia forest employment and revenue depend upon markets outside Canada.

Through the great depression of the 1930's and through the war the coast lumber industry, the greatest primary source of employment in British Columbia, was overwhelmingly dependent on markets outside Canada. A very slight recession in the ability of export markets to purchase our surplus lumber as rapidly as it is produced could have a ruinous effect on the domestic market and precipitate a sudden drop in the volume of employment as well as in the standard of living for scores of thousands of persons in the Province.

Therefore world market conditions fix the level of prosperity of those who invest their capital or their labor in British Columbia's forest industries.

Throughout the last seven years during which war practically eliminated the large purchase of wood exports from European countries, all importing nations of the world have turned to North America and chiefly to Canada for their timber requirements. Urgent needs to rebuild communities, restore railroads, catch up with several years neglect of housing and deferred maintenance of all industries and utilities have presented British Columbia with all the benefits and liabilities of a seller's market, accompanied by rising prices and the easiest possible cutting specifications.

Peak Has Been Reached

Signs accumulate that the top has been reached and that many buyers are showing more resistance and becoming more selective. Continued high prices of Pacific Coast lumber and the growing scarcity of dollars combine to force overseas buyers to increase the use of substitutes. Regulations now forbid wood for house floors in the United Kingdom, cement and steel are used to replace wood for railway sleepers in various countries and a larger proportion of metals and minerals are substituted for wood in building coustruction generally.

Also the European timber exporting countries are working back into their old export trades.

Exports for the eight years 1931-38 in millions of feet board measure averaged 89 Norway, 1,619 Sweden, 1,871 Finland, 2,239 Russia and territory now Russian, 541 Poland and Danzig, 122 Czechoslovakia, 27 Germany, 988 U. S. A. and 1,334 Canada for a total of 9,180. Some 71% of prewar sawn lumber exports were of European origin with 11% from United States and 10% from Canada. This shows pre-war importance of timber exports from countries that customarily compete with British Columbia in world markets.

Good Potential European Production

The damage to European forests during the war less than the accumulated growth due to reduced cutting operations. Production for export since the war has been delayed by men being retained in armies, home demands for wood, damage to plants, breakup of organizations and various temporary impediments to international trade. These handicaps are being corrected or surmounted. The forests are still there. Large populations depend upon the work provided by export forests industries. The old customers are hungry for the goods. Because of the shorter distance involved the freight haul is shorter and cheaper from Europe than from British Columbia. The delivered to market prices are lower than our present delivered prices. The seller accepts payment in goods or sterling which is a great advantage for British Columbia's chief customers—the United Kingdom, Holland, France, Belgium and others in Europe, North Africa and Asia.

Therefore, it is not surprising that such evidence as the following now appears with increasing frequency:

(a) Exports of sawn lumber from Finland to all countries:

1945—240 millions feet BM
1946—345 million feet BM
Expected in 1947—860 million feet BM.

(b) Egypt and Palestine have recently purchased European and East African railway sleepers at lower prices than available from the Pacific Coast.

North Africa has recently purchased steel railway sleepers at prices competitive with Pacific Coast Douglas Fir.

Baltic and Russian wood is traditionally preferred by European and British consumers because of texture and superior manufacture. American, Eastern Canadian and British Columbia lumber is now selling for higher prices than European lumber in the United Kingdom, Europe or Africa. The buyers buy all the European wood available then fill their urgent requirements as far as possible with North American lumber. As the supplies of European lumber increase toward pre-war volume the demand for North American lumber will shrink. Offerings of European lumber are increasing in volume, therefore the price level of our Douglas fir, hemlock and cedar must inevitably move downward.

Study Export Trade

As we pass from the Government-directed and easy marketing conditions of war to those of peace wherein the buyer seeks competitive offers from various lumber producing regions, it is important to study the history of our export trade.

For the eight years 1931 to 1938, on the average only 11% of United Kingdom imports, 0.3% of European continent imports and 15% of South African imports were from the B. C. coast.

Can't Rely On U. S.

There may be some who are hopeful that if overseas demand for our lumber declines we may safely rely upon the great United States market to take our surplus upon terms that will spare us depression or the threat of depression.

The inference from the record is that:

(a) When our lumber exports to the United States became important in 1929 a tariff was imposed in 1930, and increased in 1932 which over night ruined our trade in that direction and forced us to seek other markets under conditions of distress.

(b) The American export market, while important, is not sufficient to support us, and if we are to be healthy, must be supplemented by regular and dependable sales to many other markets, notably the United Kingdom, Australia, Europe, Asia, Africa and all the Western Hemisphere.

(c) A very small proportion of our coast lumber has been sent to the United States during last four years.

It is thus important to the people of British Columbia that as other countries increase their share of the world lumber trade British Columbia's total volume of lumber export trade based upon all markets shall not decline. Therefore, in order that we may continue to be competitive, it is necessary that waste and practices wasteful of labor or material should be reduced, that manufacturing technique and economy should improve and that the costs entering into the price of the finished product should not be higher than a healthy industry can support.

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Quebec Power Company, which is controlled by The Shawinigan Water & Power Company, serves the City of Quebec with electric power and gas, and an extensive surrounding district with electric power. Through a wholly-owned subsidiary the Company operates transportation services in the City of Quebec and immediate environs.

The gross revenue of the Company and subsidiary has increased from $3,933,066 in 1936 to $7,483,082 in 1945. During the same period operating profit increased from $1,749,948 to $2,440,390.

Earnings available for bond interest, after charging depreciation, have averaged 2.75 times such interest charges in the ten years ended December 31, 1945.

For the nine months ended September 30, 1946 net earnings after depreciation were 3.16 times interest charges.

Descriptive circular available upon request.
We offer these bonds as principals and recommend them for investment.

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NIB YELLOWKNIFE MINES says that Jan. 13 option installment on 100,000 shares at 17½ cents a share and each subsequent installment have been extended for three months.

D'ARAGON MINES advises that Toronto Stock Exchange has consented to release of 100,000 shares, part of a block of 500,000 shares, from escrow with Crown Trust & Guarantee Co.

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In Canada, St. John Ambulance Association and Brigade—the active members of the Order—operate from coast to coast. The St. John Ambulance Association—without charge—teaches First Aid and Home Nursing and the St. John Ambulance Brigade renders a First Aid and Nursing Service wherever disaster may strike or injuries be suffered.

The activities of St. John Ambulance reach into many fields. In factory and home, at sporting events and public gatherings, on the open highways and on city streets, St. John Ambulance steadily goes about its business of saving lives and alleviating distress.

When you support the activities of St. John Ambulance, you play your part in saving lives that would otherwise be lost and in reducing the ill effects of injuries and sickness.

472

ROYAL BANK OF SCOTLAND
(Incorporated by Royal Charter 1727)
Head Office:
EDINBURGH
Branches throughout Scotland
LONDON OFFICES:
3 Bishopsgate, E.C.2
8 West Smithfield, E.C.1
49 Charing Cross, S.W. 1
Burlington Gardens, W.1
64 New Bond Street, W.1
Complete Banking Facilities
Associated Banks:
Williams Deacon's Bank Ltd.
Glyn Mills & Co.

ANGELA HOTEL
Just a Little Different
Highest Standard of Service
Excellent Cuisine
Five Minutes to Centre of City
Continental or American Plan
Victoria, B.C.

The ADMIRAL BEATTY
Modern, Fireproof.
With bath from $3.30
Reservations advised.
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SAINT JOHN—NEW BRUNSWICK

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TRAVELLERS CHEQUES

IN NEW YORK CITY IT'S A GRAND CENTRAL LOCATION
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Hotel Shelton
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SOLE LEATHER
• If it's Dri-Breit it's watertight
• And it does wear longer ... Ask for Dri-Breit on your new and rebuilt shoes.
THE BREITHAUPT LEATHER CO. LIMITED
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set the pace in sports EQUIPMENT
Ever since the first days of sport, athletes have recognized Spalding and Reach, Wright & Ditson as the outstanding equipment in all major Sports.
A. G. Spalding & Bros. of Canada Ltd.—A. J. Reach, Wright & Ditson Co.
Brantford Canada

Lack of Forms Delays Borrowing Under New Veterans' Loans Act

Chartered bank branch managers are now preparing to receive applications for loans under the Veterans' Business and Professional Loans Act.

So far veterans seeking loans have been unable to get loans because the banks have not yet received the printed application forms from the Government. But the regulations have been issued and the Act was proclaimed effective Jan. 15.

Once the forms are received the chances of the veteran getting a loan depend on the information he gives in his application.

The Act passed at the last parliamentary session is designed to facilitate borrowing from the banks by eligible veterans at a maximum rate of 5% to establish themselves in business or the professions.

Projects Authorized

It may be used to:

Purchase a business, or a partnership interest in a business (but not an interest in a joint stock company).

Buy machinery or other equipment for a business.

Construct or alter a building for business purposes or

For any other purpose to benefit his business. Reason that buying into a joint stock company is excluded is the feeling by the authorities that while a veteran would have some voice in the management of a partnership in a joint stock company he might have none.

Special features of the plan are:

A 5% maximum interest rate against 6% under the Bank Act.

Limitation of the maximum loan under the Act to $3,000.

A maximum term of 10 years for repayment of the loan.

The banks themselves are guaranteed by the Government against loss up to 25% of the first $1 million of the individual bank's loans under this act plus 15% of any additional loans made by the same bank. The over-all principal amount of guaranteed loans is limited to $25 millions, provided they are made within five years from the time the Act came into force.

The Act defines business as including trade, industry or profession.

Establishment in a Profession

The assistance in establishing a veteran in a profession it is understood refers to such matters as the purchase of a practice or office building or the instruments used in the profession as for example by a doctor or a dentist.

The bill provides that the veteran may apply to a bank for a loan up to two thirds of his proposed total expenditure but not exceeding $3,000. Thus if the total expenditure were $4,500 or more the veteran will be able to borrow $3,000. If it is $2,400 the loan would be limited to $1,600.

The banks are authorized to take as security real or personal property as acquired with the proceeds of the loan. (Previously the banks could lend on the security of real estate only under the Farm Improvement Loans Act.

A veteran who has received a loan under the Veterans' Land Act will not be entitled to a loan under the Veterans Business and Professional Loans Act.

In Actual Practice

Here's how it will work in actual practice. Veteran Joe Doakes applies to a bank for a loan filling out the form and answering the questions there regarding the purpose for which the loan is wanted. The form then goes to the Department of Veterans Affairs to be checked over to be sure Mr. Doakes is a veteran entitled to the privileges of the act. Then it goes back to the bank which if it considers the risk satisfactory makes the loan.

The government guarantee feature by which the government protects the banks against loss compares with a 10% guarantee ($25 million maximum principal amount) under the Farm Improvement Loans Act.

Pending receipt of the forms bankers were cautious about predicting the volume of business likely to result, although most agreed that it had big possibilities. Already however a substantial number of enquiries have been received.

LONDON CALLING—*By Adelphi*

Socialization 'Shot in Arm' Fails Old Land Coal Production Still Lags

LONDON — There is a fog in London while I write. I know that from the American films you would imagine that there was a fog in London all the time. Actually we don't usually have one more than five days out of the 365. But this happens to be one of the five.

The London fog has changed since I was young. It was once a thick, yellow blanket, the old peasouper, through which the street lamps peered like great oranges. But since factories have consumed their smoke and hundreds of thousands of Londoners replaced the open grate with gas and electric stoves, the fog has faded from thick yellow to something quite a way off white, and the shortage of power has replaced the warm glow of gas lamps by a feeble electric flicker in one street lamp out of three.

It is not stimulating to write in a fog. You can't be vivacious or witty with the thing seeping into buses, and tubes, and workshops, and office windows, and everywhere you go. If this column is unusually dull this week, put it down to the fog.

• • •

Nationalization Doesn't Boost Coal

You could, of course, put it down to quite a number of other things. First, they cut off the power just as I was getting up, so it was cold as well as dark and foggy. Then, when the lights came on again and I picked up my paper I found that the country was threatened with a grave economic crisis. For although we have nationalized the pits and run up a flag on them (on a blue field and letters N.C.B. in white) the flag has not coaxed any more coal out of the pits.

Coal, of course, is the foundation on which these islands are built, economically and geologically. Over here it is coal that makes the wheels go round, not water or oil. So with a falling coal rate, the wheels are slowing down and the steel furnaces have just had a 25% coal cut. This so infuriated the director of one Yorkshire colliery, a decided character who twice rode his own horse to victory in the Grand National, that he decided to take it out on the flag, the blue flag with white letters that has, to date, so lamentably failed to stimulate production. So our director went off to the nearest pit and cut down the flag and ran away and hid it. During the absence of that singularly uninspiring emblem which augurs so ill for the imaginative faculties of the Coal Board, production did not decline noticeably. But equally, it did not go up.

• • •

Unemployment Is Spectre to Miners

What then lies at the bottom of the pit? I don't mean the coal pit, but the pit of a decreasing or at best a static, production.

Quite a number of things. First the memory of the inter-war years, when two out of three miners in the South Wales pits were always out of work. Not always the same two, but always two. The miners will point out to you that in those days, when the problem was more human than economic, you did not hear such a lot about it in the national press and the west end of London. Now that the same community are being so incessantly wooed, they feel a certain savage joy in getting back their own; not necessarily deliberate, but no less potent for being subconscious. They also think that if they were to respond enthusiastically to the call for more coal, there would soon be coal enough and to spare, and then two miners out of three would be out of a job again and there would be no coal problem.

Then there is the vexed question of food. A miner can't produce on the standard rations. Nor could I. But whereas I can and do eat out, the mineworker can't. Factories have canteens, offices are near restaurants, even if they are the official British restaurants. But the miner may be working a seam four or five miles away from the pithead, and he has no time to come up and get it. Even if he had, what with sweat and grease and coal dust, he would be in no state to eat it.

The miner in happier days was used to having his big meal (when times were good) in the evening, when he got home and washed and changed and sat down before the fire to a joint or chop or steak with roast potatoes. Present ration scales don't allow that sort of meal and spam and dried eggs are not precisely a fit substitute. I won't say that miners don't get enough to eat but they certainly don't get enough to inspire a will to get more coal out, even under the device of a blue flag with three white letters on it.

• • •

Little to Buy, So Why Work?

This has been somewhat amended of late, but it takes time to catch up on arrears. And even if he did work, there would not be much for him to buy with his wages. So apart from the astonishing disinclination of young men who marched from Cairo to Vienna to spend the rest of their lives without seeing the sun, we have the eternal problem that no one inclines to work when there is nothing to buy with what is left to him after the income tax collector has had his whack. And there will not be much more to buy until he works harder to make more things to export, to pay for the things he would like.

Add, or rather subtract, the manpower required for a conscript army and a civil and local Government service that absorbs one in 20 of the population, and you will understand the problem that has been carefully explained in 20 blue books, 54 white papers, 368 government speeches, 143 opposition speeches and two Liberal speeches. You will also be just as far from the answer as many of the blue books, white papers or wise speeches.

• • •

Shakespeare Popular U.S. Film "Epics" Wane

An indirect result of the absence of commodities, is that people are spending a great deal on trivialities and a deal of money at any rate is going on or to the dogs. In fact, it has been mooted that in this land of the free, midweek football matches should be forbidden as too tempting an inducement to absenteeism. But the zest for pleasure takes many forms and, for the first time I imagine since the Bard was alive here in London, you cannot get into a Shakespeare play without a lengthy booking beforehand.

The particular play is "King Lear" which has been crowded out at the New Theatre. The King still appeared with the long white beard which Garrick made a fixed and unalterable tradition in the Eighteenth Century, at the time that Hamlet was permanently encased in black velvet and given the thin frame and woebegone countenance undreamed of by his creator (who makes Queen Gertrude exclaim "He is fat and scant of breath")! Like the stylized characters of Chinese folk drama, our Lears and Hamlet are sacred monuments no actor manager dares to change.

It is wonderful how soon art settles into the grooves of tradition. The latest victim is the Hollywood motion picture industry, which will have to do something startling if it is to keep its hold on the British public.

Thus it is harder to get a seat even for a French film which few people understand in Central London today, than for the monster magnificances of the American screen.

IN MONTREAL

Men of affairs naturally stop at the WINDSOR because of its reputation for dignified comfort, unobtrusive, courteous service and its convenient location—and because the WINDSOR is recognized as the proper place for business and social meetings.
THE Windsor
ON DOMINION SQUARE
J. ALDERIC RAYMOND, PRESIDENT

A. S. BAILLIE

Vice-president and general manager of Granby Consolidated Mining, Smelting & Power Co., has been elected President of the Mining Association of British Columbia.

BANK OF CANADA

	Jan. 22 1947 $	Jan. 15 1947 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Notes in circ. ..	1,146,806,733	1,150,699,859
Rest fund	10,050,367	10,050,367
Deposits: Dom.	133,320,406	153,977,987
Chart. banks	530,146,702	508,463,295
Other	103,580,269	78,460,527
Total deposits.	767,047,377	740,901,809
Liabs. pay. in sterling, U.S.A. and for'n gold currencies ..	957,199	952,199
All other liabs.	31,432,517	34,348,166
Total liabs.	1,961,314,193	1,950,957,400
Assets		
Sterling & for'n exchange ...	957,199	957,199
Subsid. coin .	366,496	363,783
Investments:		
Dom. govt. sh.	1,210,652,575	1,198,098,016
Oth. Dom. gov.	711,847,849	712,236,420
Other secs. ..	15,000,000	15,000,000
Total invest. ..	1,937,500,424	1,925,331,436
Premises	2,439,465	2,429,466
All other assets	20,050,609	21,865,566
Total assets ...	1,961,314,193	1,950,957,400

Staff Changes

The Dominion Bank announces the following staff changes:

L. L. LAIRD, to be staff supervisor at head office.

J. F. F. STEWART, to be manager, Deloraine, Man.

J. WALTON, formerly manager, Madoc, Ont., to be manager, Belleville, Ont.

G. MURRAY, formerly manager, Marmora, Ont., to be manager, Madoc, Ont.

A. F. FRASER, formerly assistant manager, Oshawa, Ont., to be manager, Marmora, Ont.

J. B. BROWN, to be manager, Lloydminster, Sask.

H. W. REEVES, to be assistant manager, St. Jean Baptiste Market, Montreal.

J. T. ARCHIBALD, to be an assistant manager, St. Lawrence Blvd., Montreal.

JOHN STEWART, to be accountant, Montreal main office.

• • •

The Royal Bank of Canada announces the following staff changes.

C. W. DEWIS to be manager Buenos Aires, Arg.

T. G. SMITH to be manager Steinbach, Man.

J. J. G. McDONALD, accountant Windsor, N.S., to be manager Maitland, N.S.

A. J. TERRY to be manager Ituna, Sask.

E. R. CAMPBELL, staff officer supervisor's department, Regina, Sask., to be accountant East End Vancouver, B.C.

J. D. W. HALBERT assistant accountant St. Catherine & Bleury, Montreal to be accountant St. Matthew St., Montreal.

K. S. FRASER, assistant accountant Beaver Hall, Montreal to be accountant Peel and Sherbrooke, Montreal.

G. L. PHILLIPS, clerk Digby, N.S. to be accountant Morris & Barrington, Halifax, N.S.

E. G. R. G. GRONING, Buenos Aires, Arg., A. KENNETT, Oxbow, Sask., retire.

• • •

The Canadian Bank of Commerce announces the following staff changes:

K. MOORE, an assistant inspector at head office, to be manager, King and Wellington, Halifax.

H. J. FOSTER, accountant Victoria, B.C., to be manager, Douglas and Cormorant, Victoria, B.C.

A. R. B. CONRAD, accountant, Simcoe, Ont., to be manager, Port Dalhousie, Ont.

• • •

The Bank of Nova Scotia announces the following staff changes:

W. C. HAWKER, to be manager St. George, N.B.

G. F. MERRICK to be acting manager Maillardville, B.C.

• • •

The Bank of Montreal announces the following staff changes:

H. E. BUCKNAM, of Brantford, Ont., to be assistant manager, that branch.

R. H. MACFARLANE, of Toronto, to be an assistant manager, that branch.

S. E. GOODWIN, assistant manager, Halifax, to be assistant manager, staff department, head office.

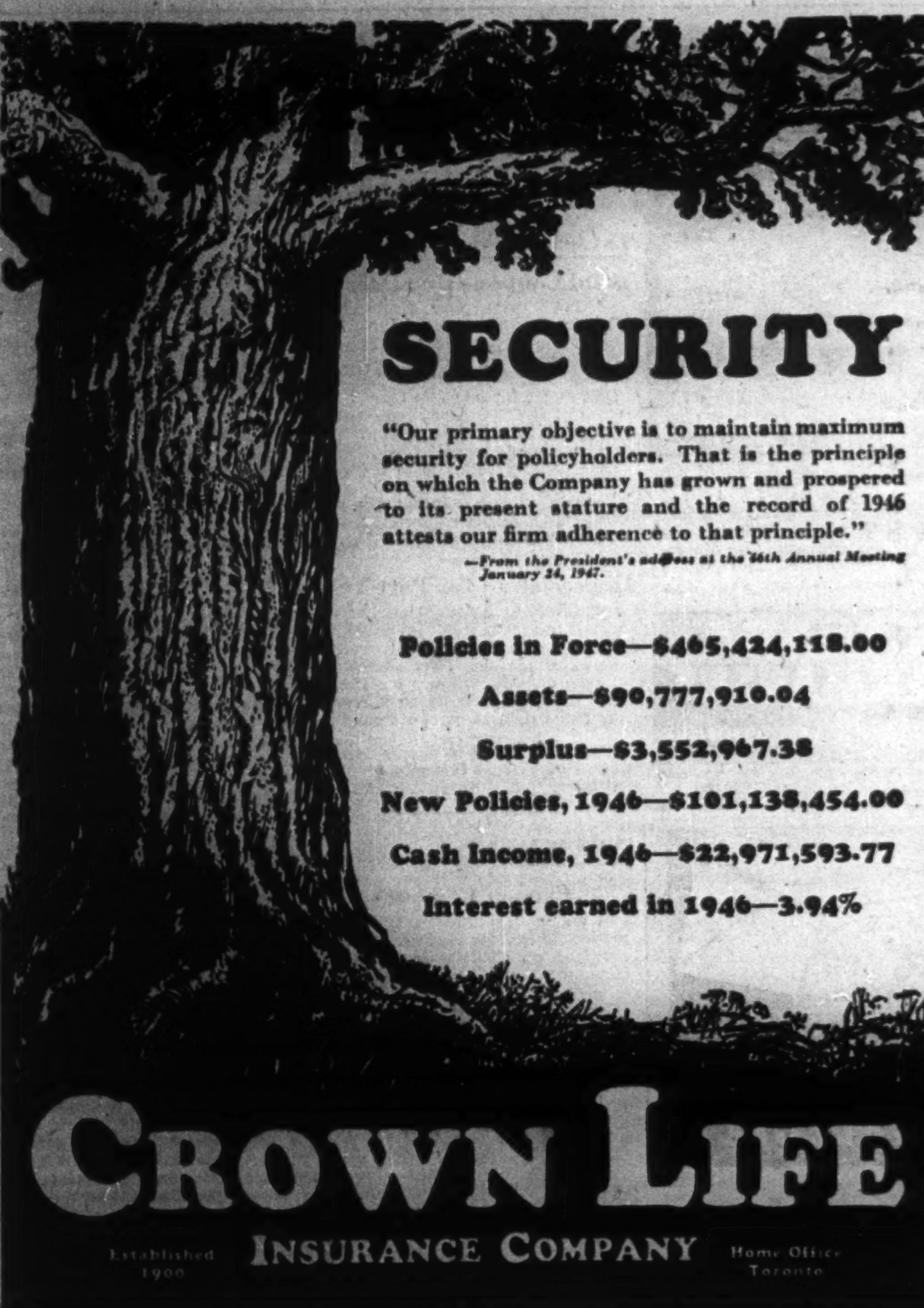
J. HENDERSON, accountant, St. John's, Nfld., to be assistant manager, Halifax.

Sask. Auto Insurance To Include Collision

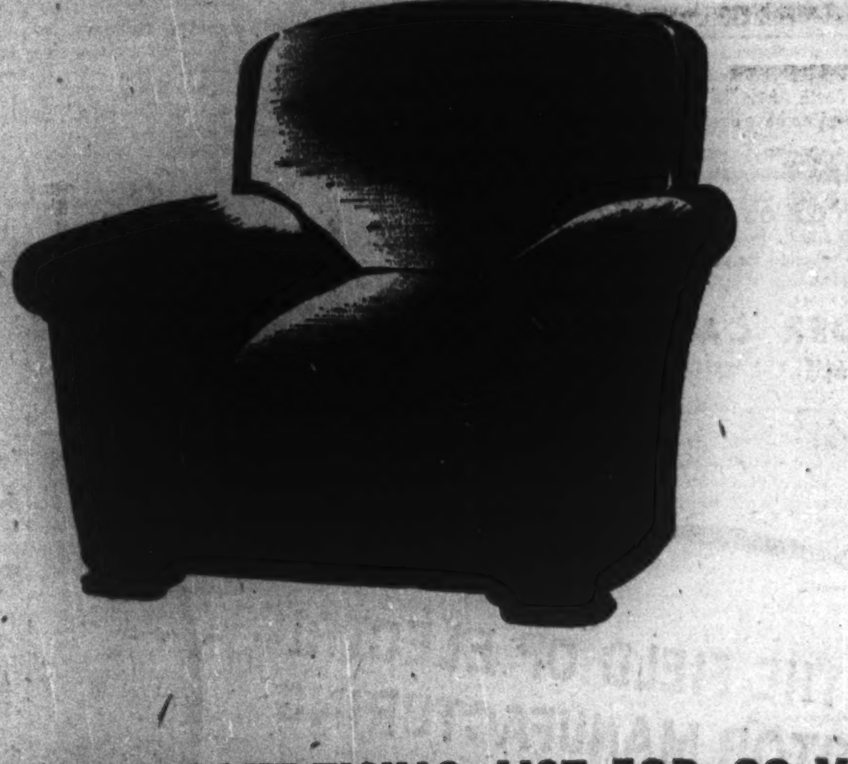
From Our Own Correspondent

REGINA—Benefits now provided under Saskatchewan's compulsory automobile insurance scheme are to be extended, at the session of the legislature which opens Jan. 30, to include some form of collision coverage, Hon. O. W. Valleau, minister in charge of the Government Insurance Office has indicated.

Details are not yet announced, although Mr. Valleau said the move into the collision field would not mean an increase in present rates.



SECURITY
"Our primary objective is to maintain maximum security for policyholders. That is the principle on which the Company has grown and prospered to its present stature and the record of 1946 attests our firm adherence to that principle."
—From the President's address at the 46th Annual Meeting January 24, 1947.
Policies in Force—$465,424,118.00
Assets—$90,777,910.04
Surplus—$3,552,967.38
New Policies, 1946—$101,138,454.00
Cash Income, 1946—$22,971,593.77
Interest earned in 1946—3.94%
CROWN LIFE
Established 1900 INSURANCE COMPANY Home Office Toronto



"NO. 1 ON OUR ADVERTISING LIST FOR 22 YEARS"
KROEHLER ... world's largest furniture manufacturer
Kroehler Mfg. Co., Ltd. began manufacturing fine furniture in Stratford, Ontario in 1920. In 1924 they began advertising, and the Star Weekly was the key publication on their list. Today, 22 years later, Kroehler is the world's largest furniture manufacturer. During the last 22 years this great firm has advertised consistently, and every year the Star Weekly has been No. 1 on their list. Throughout war years, when supplies were short the Star Weekly alone was used to keep Kroehler—one of the best known names in furniture—before Canadians. And Kroehler advertising in the Star Weekly is increasing, as supplies become more plentiful.
Reaching more than 900,000 homes weekly, the Star Weekly buying audience stretches from coast to coast. In the rich urban market, where 77.5% of Canada's retail dollars are spent, 675,991 of the 1,100,337 English-speaking families buy, and buy from, the Star Weekly.
Because the Star Weekly blankets this rich buying audience, successful advertisers of all types of products and services throughout the Dominion point with pride to thriving businesses built, to a great extent, upon Star Weekly advertising.
PUBLISHED AT 80 KING ST. WEST, TORONTO, CANADA
Montreal Advertising Offices: UNIVERSITY TOWER
U.S. Representatives: WARD-GRIFFITH CO. INC.
The STAR WEEKLY 900,000 EVERY WEEK

The Wawanesa
Mutual Insurance Company

Admitted Assets... $5,833,185.2
Surplus 3,039,566.1
Dom. Govt. Deposit 2,292,892.1

Write for Financial Statement

Head Office: WAWANESA, Man
Eastern Office: TORONTO, Ont

Branches
VANCOUVER, SASKATOON
WINNIPEG, MONTREAL

HOME
ASSURANCE
COMPANY OF CANADA
Head Office: Lancaster Bldg., Calgary.
Licensed in Ontario, Quebec, Manitoba, Saskatchewan, Alberta and British Columbia.
Application for Agencies Invited.
FIRE, AUTOMOBILE, HEALTH & ACCIDENT INSURANCE

CROWN LIFE INSURANCE CO. reports business in force on Dec. 31 at $465 millions, a gain of $68.5 millions. At the annual meeting, Managing Director H. R. Stephenson stated that the company had doubled in size in the past six years as regards business in force, assets and surplus.

Of the $465 millions insurance in force, two-thirds is located in Canada, one-third in the United States and other countries. New insurance issued exceeded $100 millions, while total receipts for the year were almost $23 millions. Assets increased $11 millions to $90.7 millions.

The mortality rate experienced during the year was favorable. War claims, Mr. Stephenson stated, had been substantial but were largely counteracted by improved civilian mortality. Present favorable mortality experience, he stated, is an important counterbalance to the low yield on investments.

	1946	1945
Insur. in force ..	$465,424,118	$396,834,143
New insurance ...	101,138,454	62,521,355
Total receipts	22,971,594	18,185,639
Premiums	16,704,747	12,672,849
Int. divids.	3,052,763	3,338,753
Policy payments .	6,472,276	4,800,352
Expenses & taxes	4,794,624	3,355,736
Sh'holders divids.	52,903	44,550
Wr. off assets	27,046	26,359
Currency reval. ..	557,559	......
Liabs. to p'holders inc. actuar. res.	83,235,134	73,002,862
Sh'holders accts. inc. divids. due	452,684	452,347
Other liabs.	935,937	668,810
Sp. reserves	2,601,186	2,201,125
Total assets	90,777,910	79,520,019
Surplus	3,552,967	3,194,874
Int. earned	3.94%	4.01%

Automobile and General Casualty Insurance
Fire and Allied Lines Written in Associated Companies
Lumbermens
Agency Inquiries Invited
"THE SAFETY-MINDED COMPANY"

Insurance Executives Give Business Views

At the annual meeting of Canadian insurance companies held recently, executives gave their views on current economic problems. The Canada Life celebrated its 100th annual meeting, the Imperial its 50th and the Manufacturers its 60th. Extracts from executives' addresses follow:

M. R. GOODERHAM, president Manufacturers Life Insurance Co.

Many of the insurance contracts which we enter into today will not be completed until 20, 30 or 40 years have passed. Viewed in this light we are, at 60 not an old company, and we are entering this seventh decade with our eyes not on the past but on the future, looking forward to the achievement of still greater strength and to the performance of still greater public service.

We shall, perhaps, encounter what the economists call a recession, in the course of which prices and inventories which are out of line will undergo adjustments, but the outlook for business generally would seem to be highly favorable for some time....

...Decline in the purchasing power of the dollar has reduced substantially the protective value of insurance estates acquired in the past....

Perhaps never before has it been so necessary that men look at their Life Insurance estates in terms of income and purchasing power rather than as capital sums.

• • •

S. C. McEVENUE president Canada Life Assurance Co.

In Canada, and to the best of my belief in Canada only, life insurance can make the proud boast that no policyholder in a Canadian life insurance company has ever lost a dollar through failure of a company to pay, on death or at maturity, what was guaranteed to him under his policy. The more one delves into the history of financial obligations and promises to pay, the more remarkable this achievement becomes....

All of the assets you see upon our books and upon the books of other companies are but the savings of the people, left with us for a while, to be repaid later on at a time when they will be needed more.

Would it surprise you to be told that life insurance policies now in force on this Continent outnumber the owners of savings bank accounts? Moreover, I think you would find that the number of policyholders equals, if it does not exceed, the number of Government bondholders, even after all the Victory Loan campaigns.

• • •

J. F. WESTON, president Imperial Life Assurance Co.

Fifty years ago Canada was on the verge of reviving prosperity and expansion. The European advertising campaign of "Free Homes for Millions" soon to be inaugurated by Sir Clifford Sifton was to boom Canada's population from four millions to seven millions in a little more than ten years....

...The progress of life insurance has been correlated with that of the country, in the development of which it has played an important part, by discharging its dual function, that of being a medium by which to secure protection and effect saving to the individual, and by keeping its constantly accumulating funds invested in the services and enterprise of the nation.

In the fifty years with which we are dealing, Canadian life insurance in force has increased from $340 millions to $10.5 billions at the end of 1946, and the amount of new business written by all the companies in the respective years was $48 millions in 1897 compared with $1,450 millions for 1946, while the assets of the companies have increased from $81 millions in 1897 to over $4.6 billions....

These figures are impressive, but are disappointingly small when considered as a part of the total savings made by the people in relation to the national income. ... Of course the dollar total of savings has risen . . . but the proportion of income saved has not changed....

• • •

H. D. BURNS, president Crown Life Insurance Co.

We must not overlook the fact, that during the past year there have been special influences of an inflationary kind at work, such as payment of war bonuses, foreign loans to finance exports and abnormal demand for goods following the deprivations of recent years. Such influences must be recognized as unusual and temporary so that some recession in the volume of production and national income in due course would appear probable. There is reason to expect, however, that recession will not be overly severe and that after a comparatively short interval it will be overcome by renewed activity.

Obviously every change in the purchasing value of the dollar, whether upward or downward, creates inequities as between, owners, debtors and creditors. The importance of maintaining the value of the dollar and the cost of living on the nearest possible even keel under all circumstances cannot be overemphasized.

Long-term Canadian Government loans at present prices yield 2.60% or less, and of this the investor will usually have to refund a substantial portion by way of income tax. In my view, this rate is too low for a young and growing country like Canada.

• • •

JOHN W. HOBBS, president Continental Life Insurance Co.

Unless the Government is committed to a plan of "cradle to the grave" social security, with a minimum of effort on the part of the recipient, then encouragement should be given for higher interest rates, to reward personal economy and as a measure of self-support, so that people should be freed from the humiliation of becoming complete wards of the State.

A great deal has been said about the desirability of wiping out the Excess Profits tax. Very little has been said about the necessity and therefore wisdom of substantially reducing the basic tax. Of the thousands of businesses operating only a minority do earn excess profits. Conceding the necessity of heavy war-time taxes, the basic tax after nearly two years of peace will ultimately prove fatal to thousands of businesses.

The constant excessive drainage of earnings by the Government, who take no risk, cannot do otherwise than curtail the prosperity of the country.

• • •

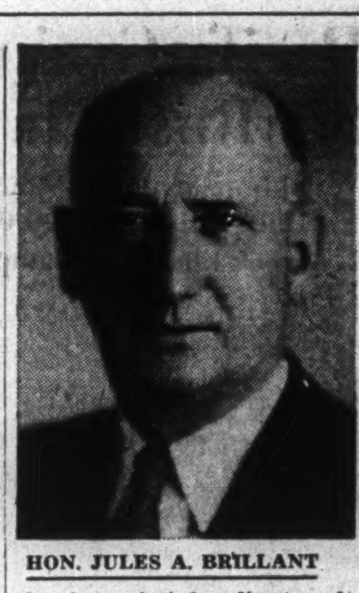
NORMAN S. ROBERTSON, president North American Life Assurance Co.

Earlier in my remarks I referred to the national unity which enabled us to perform the tasks of wartime. We now seem to have lost that national unity. We do not seem now to be a country with a purpose and a goal. The successful conclusion of the war, as I said before, seems to have left us limp and to have opened the door to internal bickering, self-interest and disunity.

Nowhere is this more apparent than in the recent widespread disputes between labor and management — disputes which have crippled production and seriously interfered with the public interest.

This disunity is also apparent among our governments in the present negotiations on Dominion-Provincial relations.

We have come out of the war with a very large debt. This debt must be taken care of. It will be best taken care of if we have more shoulders to bear the burden. Indeed, the pressure from other parts of the world could force our acceptance of a much larger population which would better be admitted in accordance with a policy and on terms fixed by ourselves and suited to our own ideas of our future needs.



HON. JULES A. BRILLANT

has been elected a director of the Provincial Bank of Canada.

Fire Prevention Officials Move for Safer Hotels

Over-confidence in buildings erroneously described as fireproof was blamed by J. K. McElroy, National Fire Protection Association engineer, for the loss of 119 lives and injury of 91 persons in the Hotel Winecoff fire at Atlanta, Ga.

"A stove is fireproof, yet its contents burn," he stated. The screams of the Winecoff's occupants and the thud of falling bodies should eliminate for all time the illusion that this and other buildings classified as 'fireproof' in fire insurance rating schedules and many building codes, are secure against all perils to life and safety without adequate guards for combustible interior finish and contents."

Mr. McElroy addressed a conference of fire prevention authorities from Canada and the United States in Philadelphia under the auspices of the NFPA to discuss advisability of stricter fire laws to stop the sky-rocketting fire losses in both countries. Special emphasis was laid on hotels, because of the heavy hotel fire fatalities in recent months. More effective fire laws were urged.

For Lack of a Door

Mr. McElroy stated that a $50 door at the entrance to the stairway from the third floor of the Winecoff Hotel, if closed, would have prevented the spread of the fire there.

Percy Bugbee, Boston, general manager of the National Fire Protection Association deplored that it takes a great disaster or series of disasters to arouse public opinion to combat needless fires. He enumerated a number of serious fires which had led to adoption of various fire safety measures such as asbestos curtains, automatic sprinklers and proper inspection. He stated that it was planned to make all new legislation "reasonable, intelligent and backed by proper enforcement and an informed public opinion."

Curtis W. Pierce, president of the NFPA and of the Factory Insurance Association of New York, declared there was no record of any sweeping fire with resultant loss of lives in hotels, apartments or other places when erected and protected in accordance with modern building standards, developed by experts. A tentative model hotel safety fire law drafted by the NFPA Fire Marshals section included the following principles:

A minimum of two safe exits.

Automatic protection to ensure rapid detection of fire and the rapid response of fire departments.

Limitation of combustible trim and finish in hotels.

Protection of all vertical openings in buildings to prevent spread of the fire.

Provision for periodic inspection of hotel properties by state and provincial authorities.

Complete automatic sprinkler systems in frame buildings.

A further conference was planned to be held in Detroit, to draft a model law for adoption by Canadian and U. S. legislatures.

CANADA LIFE APPOINTMENTS

W. E. C. MARTIN

G. D. SAUNDERS

The Canada Life Assurance Company announces the appointment of W. E. C. Martin and G. D. Saunders as Assistant Treasurers. Mr. Martin is a graduate of the University of Toronto and has been associated with The Canada Life since 1929. Mr. Saunders joined the Company in 1931, following his graduation from Queen's University.

The
STANDARD LIFE
Assurance Company
A MUTUAL COMPANY SERVING CANADIANS FOR OVER 100 YEARS
HEAD OFFICE
EDINBURGH, SCOTLAND
CANADIAN HEAD OFFICE - MONTREAL
ESTABLISHED IN 1825

COMPANY REPORTS

CONTINENTAL LIFE INSURANCE CO. reports increases in business in force, new insurance issued, total receipts and assets, for 1946. Insurance in force, at $78.4 millions, was almost $12 millions higher than the year before. New insurance on a settled-for basis and business revived and increased totalled $15.7 millions ($9.6 millions in 1945). Total receipts of over $3 millions included $2.1 million net premiums, interest, rents and other income, $754,083. Payments under policy contracts totalled $1.1 millions, including death and disability claims, matured endowments, dividends, surrender values, annuities, amounts on deposit withdrawn, etc. Death claims were $371,266. Policy reserves were increased $943,528. Total assets increased almost $1.1 millions to $16 millions.

	1946	1945
Insurance in force ..	$78,425,329	$66,832,157
New insurance	15,756,153	9,604,163
Total receipts	3,066,329	2,795,283
Policy payments ...	1,114,743	943,979
Expenses	758,102	574,446
Taxes and fees	51,104	46,334
Shareholders' divds.	17,000	14,000
Other payments	8,616	63,068
Assets wr. down ...	77,937	5,067
Liabs. to pol'hldrs. inc. actuarial res.	14,996,786	12,885,336
Liabs. to sh'hldrs. .	220,017	218,667
Other liabs.	223,958	209,236
Special reserves ...	225,000	225,000
Total assets	16,079,897	14,997,748
Surplus	412,136	450,466
Int. earned	3.814%	4.19%

NATIONAL LIFE ASSURANCE CO. reports business in force on Dec. 31, 1946, at $96 millions, up $9.1 millions over 1945. New insurance was $14.2 millions ($10.2 millions in 1945). Increases were shown in total receipts, and assets. The sum of $294,398 was set aside in various reserves, and unallotted surplus is now $411,615. Mortality experience was favorable and the expense rate is reported satisfactory. Interest rate earned on invested assets, however, was 3.23%, against 3.59% in 1945. The company accordingly has taken steps to increase its contingency reserves to provide for a lower interest basis.

The report states that "as a result of the company's unusually sound position, we intend to review the basis of dividends to policyholders and to consider the possibility of declaring dividends to company's shareholders." Comparative figures from the statement follow.

	1946	1945
Insurance in force ..	$96,027,708	$86,867,122
New insurance	14,191,000	10,256,000
Total receipts	3,311,052	2,990,299
Premiums	2,341,813	1,990,353
Int. divds., rents	646,871	679,287
Policy Payments ...	968,061	1,130,000
Policy reserves	17,236,451	15,873,130
Total assets	19,511,904	17,953,722
Surplus	663,782	641,885
Interest earned	3.23%	3.59%

MANUFACTURERS LIFE INSURANCE CO. shows insurance in force at $969 millions, in its 60th annual report. Of this $893.5 millions was ordinary business, $18 millions group and $58.2 millions deferred annuities. New insurance was $154.2 millions, of which just under 40% was produced in Canada and Newfoundland, 28% in the United States, 8% in the West Indies and adjacent territories, and 22% in other fields including Hong Kong, Singapore and Manila.

Total receipts were $67.9 millions including $45.6 millions in current premiums and $2.3 millions premium in advance. Of current premium income, single payment premiums constitute over one-quarter of the total, being largely premiums on annuity contracts.

Payments under policy contracts were $19.2 millions, of which $6.7 millions was for death claims and over $12.4 millions paid to living policyholders. Mortality rate continued favorable.

Total assets of the company at $330 millions are almost $35 millions higher than a year ago. Government bonds are 60% of total assets, same percentage as a year ago. Interest earned on assets in 1946 was 3.61%, a decrease of .49%. In each of the three preceding years large payments of arrears of interest of farm mortgages more than offset the yearly downward interest rate realized on other invested assets of the company. Liquidation of these accounts and the effect of an increasingly large investment in recent years at low interest rates, has resulted in the anticipated reduction in the rate now reported.

Important items in the report, with comparisons follow:

	1946 $	1945 $
Insurance in force ..	969,864,256	853,687,227
New insurance	154,236,828	107,502,962
Total receipts	67,950,686	61,914,587
Premiums	45,647,709	40,744,718
Prems. in advance	2,352,505	2,550,373
Int., divds., etc. ..	10,776,475	10,744,200
Policy payments ...	23,075,693	21,868,795
Expenses & taxes ..	8,569,183	6,988,086
Sh. divds.	180,000	180,000
Written off assets ..	2,715,969	2,283,779
Inc. in ledger assets	33,409,801	30,593,867
Liabs. to pol'hldrs.	304,953,523	273,607,872
Other liabs.	5,949,313	4,712,101
Liabs. to sharehldrs.	2,492,984	2,443,061
Conting. res.	5,000,000	5,000,000
Total assets	330,143,238	295,831,536
Surplus	11,747,416	10,088,701
Int. earned	3.61%	4.19%

The Bank of Nova Scotia has opened a branch at Chatham, Ont., on King St. E., opposite the CPR station, under the management of R. J. Millichamp.

We Manufacture
Envelopes
for every purpose
Barber-Ellis
of Canada, Limited
TORONTO BRANTFORD
BRANCHES FROM [illegible]

Public Confidence

Canadians contracted with this Company for one hundred and ninety-seven million dollars of life insurance during the past year ($197,819,000). These purchases exceeded those of any previous year by over a million dollars a week.

The total amount of financial security which London Life policyholders have provided for themselves and their families is now more than one billion, two hundred and eighty million dollars ($1,281,101,000).

Reports of the Company's stewardship presented at the recent Annual Meeting show that the growth in size has been accompanied by a further increase in financial strength. The assets of the Company are two hundred and forty-eight million dollars ($248,782,000), and to safeguard the interests of policyholders, making "assurance doubly sure" for them, contingency and surplus funds amount to 8 per cent of the assets.

The strong position of the London Life is evidenced by the fact that, in spite of the general decline in interest rates, it has been able to maintain its tradition of low cost insurance to policyholders. In fact, many owners of policies on "protection plans" will receive increases in dividends during 1947. The Company's record over the past half century for low cost life insurance has been unexcelled.

The healthy and rapid growth of the Company is the best possible assurance of continued satisfaction to policyholders, and one of the reasons the London Life merits public confidence in full measure.

A copy of the 1946 Annual Report will be mailed upon request to any Branch Office.

London Life
Insurance Company
Head Office - London, Canada

57th Annual Report
for year ending December 31st, 1946

INSURANCE IN FORCE - - $192,624,294
—an increase of $20,831,085 during the year

NEW INSURANCE - - - $30,077,247.53
—including reinstatements. Total is 40% greater than in 1945

TOTAL ASSETS - - - $38,876,285.14
—a gain of $3,077,439.17 during the year

PAID TO POLICYHOLDERS - $2,069,200.30
Death Claims $888,482.92
Matured Investment and Endowment Policies . . 420,294.93
Dividends to Policyowners . . 200,605.78
Other Policy payments . . 559,816.67

TOTAL INCOME . . . $6,766,126.52

POLICY RESERVES - - $33,227,300.00
—being $2,859,867 higher than at January 1st, 1946

☆ Printed copy of complete Annual Statement will be sent upon request.

BRANCH OFFICES
from
Coast to Coast

The
EXCELSIOR
INSURANCE LIFE COMPANY
A STRONG CANADIAN COMPANY
HEAD OFFICE . . . . . TORONTO, CANADA

Labor Roundup

Noranda Violence, 2 Strike Threats Mar the Nation's Industrial Peace

The simmering management-labor pot was bubbling ominously last week as the strike deadline of 12,000 Nova Scotia coal miners and 750 Toronto gas works employees drew near. A walkout in Nova Scotia would cut Canada's coal production in half. A strike at the Consumers' Gas Co. would cut off supplies to 170,000 Toronto homes and factories. The threat of violence at Noranda where 1,000 hardrock miners have been idle two months, didn't help matters any either.

Only last minute intervention by international headquarters of John L. Lewis' United Mine Workers or Dosco capitulation to union demands, could halt the Nova Scotia walkout scheduled for Feb. 1. Neither seemed likely at mid-week. The Government's attempt to settle the dispute failed completely. The Ottawa talks collapsed last Saturday and both sides began girding for battle. John Owen, Lewis' special envoy, returned to Washington. What he reported to John L. might have an important bearing on the mineworkers' final decision.

In a postnegotiation statement, the union claimed it had "drastically" scaled down its demands in a last effort to avert a stoppage. The original demand for $2.50 a day was cut to $1.40 (the company offer; $1 contingent upon greater output per man). Overtime and other proposals "amounting to several millions of dollars" were waived; company contribution to a welfare fund cut from 15c. a ton to 8c. No concession was made on the demand for a company contribution to a pension fund of 5% of the payroll.

Despite the failure of its attempt to mediate, the Government was still prepared to step in if requested but that's as far as Ottawa would go. There would be no more financing of wage increases through subsidies. Labor Minister Mitchell made this very plain to both sides. This meant that any increase—and there seemed little doubt that the miners will get something extra, strike or no strike—will come out of earnings or be compensated for by higher prices.

* * *

Gas Workers' Strike Would Hit 170,000 Homes, Plants

Another Feb. 1 strike deadline is that of Local 161, International Chemical Workers (AFL-TLC) at the Consumers' Gas Company in Toronto. A stoppage would cut off gas to 170,000 Toronto homes and factories but there seemed to be little concern over this grim possibility at midweek. The general feeling was that the implications in such a strike were of such magnitude it just couldn't happen.

The union, representing 750 workers, is asking 25c. an hour more; off shift bonuses of five and seven cents; a union shop, time-and-half for Sundays and holidays and double time for all overtime over four hours. The company first offered a raise of 7.4c.; later upped it to 10c.; then to 14c.

Reginald Wright, president of the local, who is on leave of absence from the company to concentrate on union organizing, has warned that the union intends to go ahead with the strike when the present contract ends Jan. 31. However, in view of the fact that another meeting between the company and the union, backed by International Representative William Edmiston, is scheduled for Jan. 31, the threat is not being taken too seriously.

* * *

General Strike Threat Hangs Over the North

Continuation of the two month old Noranda Mines strike and its possible spread into a general strike of all miners and smelter workers in northern Ontario and Quebec hinges on the basic issue of the checkoff. The company and the Noranda local of the United Mine Mill and Smelter workers (CIO-CCL) aren't far apart on wages but the company refuses to budge on union security.

Collapse of resumed negotiations is believed responsible for a flash of violence Jan. 23 when pickets and Quebec Provincial police clashed and tear gas was used. The flareup occurred when police tried to escort maintenance and office workers into the plant.

Both sides rushed in reinforcements. The police came in with steel helmets, tear gas, respirators and night sticks. The union called in reserves from Sudbury, Kirkland Lake, Timmins, Val d'Or and Malartic. Although the strike threw 1,000 men out of work, fewer than 300 are actively participating. There were two brief clashes last Sunday but no concerted attempt had been made to relieve the 20-odd men inside the plant.

Food was being smuggled to them during the night on sleds.

* * *

Most of Noranda's Price Increase to go for Wages

President J. Y. Murdock punctured the story that the recent increase in the price of copper meant $5 millions to Noranda. This estimate was attributed to Pat Conroy, secretary of the Canadian Congress of Labor, who later stated that he had been misquoted; that the estimate was not his but that of a reporter who called him from Toronto. Actually, Murdoch said, the increase would add $541,700 to 1947 earnings. And if the company's current offer is accepted, $431,300 of this would be paid out in increased wage costs, he said.

The company offer is: 7c. an hour retroactive from May 16 to Oct. 31, 1946; 10c. retroactive from Oct. 31. However, it is understood that during the recent fruitless negotiations, the company was ready to hike its 10c. offer if the union would forget about the checkoff. The union countered by suggesting that the issue be settled by a vote of the employees. This wasn't acceptable, nor was a further union offer to refer union security and night-shift premiums to a government-appointed commissioner.

The only sign of a break in the tense situation was the announcement from Ottawa that Mr. Justice Oscar L. Boulanger of the Quebec Superior Court had been appointed to investigate the strike.

* * *

Job-jobless Ratio 1 to 1.8 at Jan. 2

A jobless person's chance of getting employment is nearly twice as good as it was a year ago. It isn't quite as good as it was last November, but indications are job opportunities will increase with renewed activity in the spring.

A breakdown of Department of Labor statistics on the current manpower picture shows the ratio of jobs to jobless was 1 to 1.8 at Jan. 2; 1 to 1.2 at Nov. 28; 1 to 2.4 at Jan. 2, 1946. Unplaced applications as 1947 began numbered 165,000 or 26,000 less than a year ago. Vacancies dropped to 90,000 at Jan. 2 from 121,000 last Nov. 28. A year ago, there were 80,000 jobs going begging.

The department reports the greatest demand is for electricians, plumbers, finish carpenters and plasterers. Demand for unskilled labor has dropped off sharply but this may be due to weather conditions which prohibited outside work. Over-all shortage of women workers continues. At Jan. 2 there were 35,000 jobs for women but only 28,000 out of work.

Four Bushels of Seed Barley Soon Bring $45,000 Cash Crop

From Our Own Correspondent

WINNIPEG — Apart from the attention it got by offering four new automobiles to the curling rink winning the grand aggregate in its annual bonspiel, the northern Saskatchewan town of Nipawin has the No. 1 story of 1946 in the annals of prairie farming.

Starting with a four-bushel allotment of seed barley in the spring of 1945, Richard Platte, a well known farmer of the district, turned it into a better than $45,000 cash crop in 1946.

Mr. Platte specializes in growing good seed and knows the requirements of good barley. Early in 1945 he was given four bushels of a variety, Montcalm, developed by Prof. E. A. Lods of Macdonald College, Quebec. The latter started making the crosses which ultimately produced it, in 1922.

In its early stages Montcalm showed good growing habits, promised to stand up as a good malting variety, and was smooth-awned, a feature which made it easier to handle as compared with the competitive rough-awned varieties. Very little of it was ever available for distribution until after the crop of 1944.

He sowed the four bushels on 11 acres in double rows 44 in. apart, and got a crop of 450 bushels. He sowed 310 bushels of this in the spring of 1946. Last fall he harvested between 15,000 and 20,000 bushels and now is delivering 15,000 bushels of Montcalm certified seed at an agreed price of $3 a bushel.

Mr. Platte grew Montcalm barley in last year's $25,000 National Barley Contest sponsored by the brewing and malting industries of Canada. He placed second in provincial awards and won a cash prize of $300.

Montcalm was recommended as the best malting barley for this province at the recent annual conference of Manitoba agronomists.

COMPANY REPORTS

STERLING TRUSTS CORP. disclosed a net profit of $75,271 in 1946, after providing $25,949 in taxes and writing off $1,899 in office premises and vaults ($49,251, after $18,590 for taxes and $2,333 for write-offs in 1945). There were some nonrecurring items in earnings in 1946, made up of recoveries and profits on sale of securities, but these only partly accounted for the sharp rise in profits.

Liquid assets represented by Government, municipal and corporation bonds and cash, now amount to $1,370,036, representing 140% of savings deposits. The reserve fund has been increased $50,000 to $200,000. Real estate for sale has been reduced to one property amounting to $6,082. A building is under construction at Barrie, Ont., to house a new branch office.

	1946	1945
Liab. to public, etc.* ..	$3,584,912	$3,416,730
Shareholders' equity .	1,038,671	986,201
*Secured by:		
Mtge. & sales agree.	2,740,698	2,488,752
Realty for sale	6,082	10,280
Office premises	89,760	85,139
Liquid assets‡	1,787,043	1,818,760
Total	4,623,583	4,402,931
‡Includes bonds and stocks.		
Estates account	6,631,680	6,839,878
Earned per share‡ ...	$9.13	$6.10
Paid	4.50	4.00

‡Based on amount paid up on subscribed capital.

LA LUZ MINES—Although an increased tonnage of ore was milled the year ended Sept. 30, 1946, and unit costs were 22 cents a ton lower, La Luz Mines showed a reduction in earnings from 32 to 21 cents a share due to lower grade of ore treated and lower profits on security sales.

President and managing director G. W. Tower reports that the capital expenditure program gained momentum in 1946 and will continue in 1947. Increased supplies of low-cost hydro power are being made available and additions are being made to milling facilities to permit treatment of larger tonnage. Preparations have been made to sink the main shaft below 750 ft. Total positive ore is estimated at 7,757,466 tons averaging 0.12 oz. gold per ton but including possible ore; total reserves are estimated at 15,681,043 tons averaging 0.104 oz. gold per ton.

INCOME ACCOUNT‡

Years Ended Sept. 30:	1946	1945
Bullion prod.	$2,312,644	$2,514,651
Less: Mkt. chgs.	37,467	38,343
Mining	693,264	611,913
Milling	487,410	433,750
Gen. & adm. exp. ..	300,713	269,969
Adm. exp. outside Nicaragua	73,592	78,841
Add: Invest. inc.	12,330	....
Profit on secs.	6,647	58,737
Net earnings	739,175	1,140,672
Less: Depr.	128,726	361,981
Def. devel.	100,010	85,008
Depletion	100,010	127,510
Nicaragua taxes ...	89,272	97,760
Loss on asset sale .	16,515	....
Net profit	304,642	468,413
Less: Dividends	....	289,212
Surplus for year.....	304,642	179,201
Earnings per share...	$0.21	$0.32
Paid	nil	†0.22

‡U. S. funds. †Canadian funds.

CONDENSED BALANCE SHEET

As at Sept. 30:	1946	1945
Cash & bullion	$671,848	$1,517,872
Govt. bonds	250,000	250,000
Accts. rec.	59,992	32,643
Mkt. secs.†	901,265	630,206
Mat. & supplies	951,762	742,500
Total curr. assets...	2,834,867	3,173,226
Prep. & def. chgs....	119,589	50,121
Broken ore in stopes..	124,072	107,014
Development w/o	356,678	346,826
Invest	778,299	559,868
Claims & props.	956,105	1,056,115
Plant & equip.*......	1,064,258	957,503
Total assets	6,233,878	6,250,478
Wages pay.	9,885	5,841
Accts. pay & accr....	62,334	390,291
Total curr. liab.....	72,219	396,132
Capital stock	3,009,491	3,001,891
Surplus	3,152,268	2,852,455
*After depr. of.....	1,745,745	1,617,019

†Includes 310,000 shs. of Frobisher Exploration Co. and [illegible] shs. of Eureka Corp. in 1946; 163,500 shs. of Eureka Corp. in 1945.

	1946	1945
Working capital	2,762,648	2,777,094

OPERATING STATISTICS

	1946	1945
Tons milled..........	500,050	425,038
Average recov.	$4.62	$5.92

PARBEC MALARTIC GOLD MINES advises that balance of treasury shares comprising 749,995 have been issued to Partanen Malartic Gold Mines under agreement with Leslie L. Steindler. These shares are to be held by Partanen and will not be sold or otherwise disposed of except for purpose of financing or assisting in financing of Parbec Malartic Gold Mines, or in relation to acquisition of assets by Parbec. Issued capital three million shares.

WM. H. LAYZELL

has been appointed Managing Director of Addressograph-Multigraph of Canada Ltd., Toronto.

New Wheat Strain With Higher Yield Produced in West

From Our Own Correspondent

SASKATOON—A new strain of Apex wheat with higher yield and stronger straw was announced this week by the University of Saskatchewan.

The wheat, obtained by crossing Apex with Marquis, and named Saskatchewan 2156, was expected to replace the old Apex as fast as seed became available.

Experiments had been going on since Apex was first introduced in 1937. The new strain matures at about the same time as Apex and equals or excels it in height and bushel weight.

Federal Grain Pref. Committee May Be Formed

Certain preferred shareholders of Federal Grain Ltd. are now considering the formation of a protective committee as the latest step in the Federal Grain controversy, The Financial Post is told.

The application for the investigation into the affairs of the company and its subsidiaries has now been filed with the Secretary of State, Ottawa, by the group of Class B shareholders and has been supported by holders of large blocks of preferred and Class A shares, The Post is told. (The Financial Post, Jan. 18/47).

Meanwhile, hopes of a capital reorganization to clear up preferred dividend arrears seem to have disappeared. Latest report in financial circles is that President H. E. Sellers told a Toronto preferred shareholder that the company was considering a cash payment on account of preferred dividend arrears.

Questioned by The Post on these reports, Mr. Sellers stated "There is no statement to make yet. The directors have not dealt with any proposal and there is nothing we can say now."

New Vegetable Canning Plant For Manitoba

From Our Own Correspondent

WINNIPEG — A new vegetable canning industry, Prairie Canners, Limited, with its plant at Winkler in the Mennonite settlement of south central Manitoba, plans to get into production this year.

The company has been incorporated with authorized capital of $200,000. Its promoters say all materials for construction of a $42,000 building have been delivered, also some machinery and equipment. Production capacity is set at five million cases of vegetables a year; and spokesmen say one million will be processed this year.

President of the company is an eastern man, experienced in the canning business, whose name has not been disclosed. Vice-president and treasurer is Harry Wasylyk, until recently managing director of the Manitoba Vegetable and Potato Growers' Co-operative Association; Secretary John R. Solomon, a Winnipeg lawyer and M.P.P. for Emerson. Directors are L. Tully, Oakville farmer; Ald. T. Astbury, Portage la Prairie; Mayor G. Neufeld, Winkler; and W. Ternowetsky, a Winkler hotel proprietor.

Capital stock consists of 1,500 shares of preferred, $100 par value, bearing interest at 5% and 5,000 common, $10 par value; shares sold only on the basis of one preferred with one common.

Estimated cost of building and equipping the plant is $160,000. A preliminary prospectus says that in 1948 pilot plants will be built at Morden, Portage la Prairie, Brandon, and Dauphin. These will be small units for preliminary processing of locally grown vegetable products, before forwarding them to the main plant at Winkler.

Weston Biscuit Co. Buys U. S. Plant

Weston Biscuit Co. Inc. of Passaic, N.J., a wholly-owned subsidiary of George Weston Ltd., has purchased the Lockheed Aircraft Corp.'s wartime auxiliary plant at Burbank, Cal. at a price of $500,000, vice-president and secretary-treasurer R. A. Robertson states. It is planned to use this plant as a factory and it is hoped to have it in production within six months, Mr. Robertson added.

This plant will, for the time being, take the place of the new plant it was planned to build at Oakland, Cal., Mr. Robertson said. In view of the high cost of building it was decided not to proceed with the Oakland plant at this time.

Weston Biscuit Co. Inc. was formed at the end of 1945 to take over all interests in the United States of Geo. Weston Ltd.

Pacific Grain Haul Light See Rush via Lake Route

Shipments From Vancouver Little More Than Half Estimated 100,000 Bushels — Rolling Stock Shortage, Damp Wheat, Are Blamed

From Our Own Correspondent

WINNIPEG—Progress in shipment of wheat from Vancouver to Great Britain has been disappointing to both Canadian and British authorities. Before the onset of winter it had been calculated that perhaps 100 million bushels might go via the Pacific, including consignments to other countries as well as to Great Britain. Now doubts are expressed whether much more than half that program will be realized.

Railways have not been able to deliver grain at Vancouver in anything like the volume that had been anticipated. The primary factor in the situation has been a shortage of rolling stock, but it has been aggravated by the heavy moisture content of the current Alberta crop. Much of the wheat reaching Vancouver has had to be dried by artificial means in elevators there. This has slowed up the ability of elevators to handle grain and consequently their ability to release box cars for further loading.

Few Ships Held Up

Only to a limited extent have vessels been held in port awaiting loads and the situation which prevailed earlier in Montreal, with scores of vessels waiting under demurrage, has not been repeated. That, however, is only due to the fact that the shipping authorities sent to Vancouver, fewer vessels than planned.

Shortage of cars was in part due to the use, early in the winter, of railway equipment for all-rail shipment from the Lakehead to eastern destinations. Lake shipments during the past season of navigation had been disappointingly small and it was planned to supplement supplies in the East by heavy all-rail shipments.

Severe weather and heavy snows in Manitoba and Saskatchewan slowed down the effective use of box cars. The Canadian National Railways found it necessary to embargo all grain shipments from prairie points to Lakehead terminals, which brought about an almost complete cessation of all-rail shipments east from Port Arthur and Fort William. Then it was discovered that special arrangements had to be made to rush supplies of oats to logging camps in eastern forests, while at the same time eastern farmers feeding western grain to livestock, complained of a shortage of supplies.

See Lake Route Busy

Heavy shipments of grain down the lakes now appear in prospect for the coming summer. That route will have to be used for much Alberta grain which it had formerly been planned to ship during the winter via Vancouver. British authorities, it is understood, much prefer to get grain by the eastern route, because of the economy of the short route. They had, however, concurred in former plans for large shipments from Vancouver because shipments early in the crop year had been so small.

The problem which now faces the Canadian Wheat Board and the railways, will be to shut off shipments to Vancouver at the right moment, so as to ensure a maximum eastbound flow of grain for the coming season. It will be necessary to accumulate reserve stores in Lakehead terminals to provide cargoes for all lake vessels that can be brought into grain movement as soon as the lake navigation season opens.

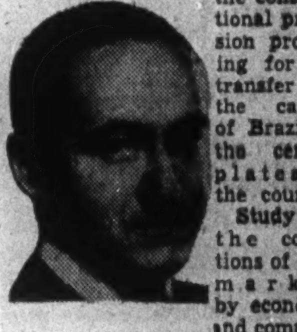
Additional rail freight costs are incurred when Alberta grain is moved to Port Arthur and Fort William instead of to Vancouver. Such costs, however, it is understood, are willingly absorbed by the British buyers, in view of the saving in ocean freight costs.

Good Time to Develop Trade With Brazil, Says Ambassador

There are great possibilities of interchange between Brazil and Canada and this is the propitious time to take advantage of them. So Dr. Acyr do Nascimento Paes, Brazilian Ambassador to Canada told leading Canadian business and professional men at a dinner given by Henry Borden, president of Brazilian Traction Light & Power Co.

"The rise and progress, which we observe in Brazil at the moment, offers an excellent opportunity to Canadian industry and commerce," he added.

In particular Dr. Paes mentioned the need for vital railway and highway equipment in order to carry out the constitutional provision providing for the transfer of the capital of Brazil to the central plateau of the country. Study of the conditions of each market by economic and commercial missions was of the utmost importance to improve trade and strengthen relations, but Dr. Paes stressed that Government missions are not enough, that Canadian businessmen should investigate the possibilities of Brazil so as to get acquainted personally with the market conditions.



DR. PAES

For economic commercial interchange it is necessary first of all, he felt, to normalize navigation between Canada and Brazil so as to facilitate direct commerce. Brazil recently ordered several vessels from Canadian Vickers Ltd., Montreal, but he suggested that Canada had more means at its disposal for the immediate establishment of a regular and frequent shipping service.

Dr. Paes, youngest ambassador in the Brazilian diplomatic service, came to Canada about April, 1946. This is the first time he has spoken outside of Ottawa, but he intends to become acquainted with all sections of Canada in the near future.

Those interested in Brazilian affairs feel confident that Dr. Paes will be a most keen and energetic representative for Brazil who will encourage and be fully in sympathy with all efforts toward the interchange of ideas and relations between the two countries, The Post is told.

Farmers' Strike In Saskatchewan Cost $5 Millions

From Our Own Correspondent

SASKATOON—Loss of at least $5 millions was "wantonly inflicted" on Saskatchewan farmers by the United Farmers of Canada, Saskatchewan section, in last fall's farm strike, Lehmann, Bradwell, Sask., farmer said.

Estimating an average loss of $250 for the 90,000 members claimed by the U.F.C., Mr. Lehmann said the strike would have cost the farmers $22.5 millions.

"But taking a charitable view and assuming that these 90,000 did not as a whole support the strike, $5 millions would be nearer the correct figure of the total losses suffered," he added.

ALGER GOLD MINES Dec. 31 option instalment on 200,000 shares at 40 cents has been extended for one month.

CHAMBERLAIN MANAGEMENT CORP. announces that contract has been let for joint drilling of common boundary of Eldona Gold Mines and Pen-Rey Gold Mines properties in Rouyn area, Que. Drills are moving onto properties and testing of fault occurrence section indicated by geophysical survey is to start at once.

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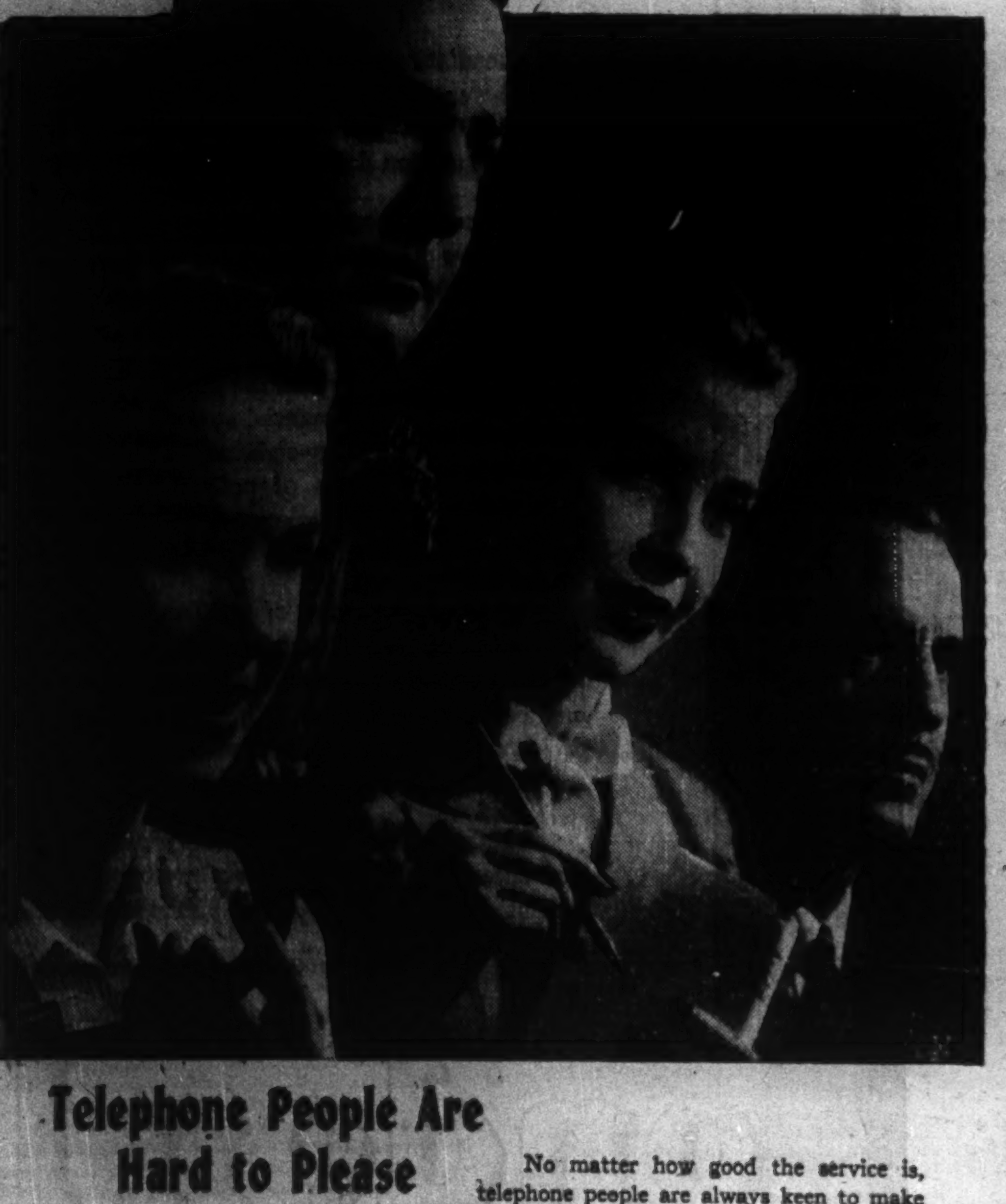

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Exports: Britain's Big Test?

Dollar Deficit Remains Core In Drive on Foreign Target

"Export or starve" is still the battle cry of a harassed British Labor Government as the United Kingdom drives toward its target of foreign sales of 150% of the 1938 figure. There have been many estimates as to the likelihood of this goal being reached. Most have been based on incomplete data and conclusions have ranged from bright optimism to darkest pessimism.

Recently, London's authoritative financial paper, The Economist, devoted considerable space to an independent review of Britain's trade position. Because it covers the ground more thoroughly than anything else published to date, and because Canadian businessmen are bound to be directly affected by Britain's export drive, The Financial Post publishes the following digest of The Economist's analysis.

In recent weeks, a conjuncture of factors has focused attention afresh upon the problems of Britain's balance of payments, but very little light has yet been shed upon the true state of accounts. On at least three recent occasions apparently inspired reports have foreshadowed an important statement from the Chancellor. But, in fact, he has not gone beyond the generalities—and rather misleading generalities at that—in which he indulged on the second reading of the Exchange Control Bill. He then emphasized the improvement in the over-all balance—"the export drive has succeeded beyond expectations and beyond estimate . . . and the total overseas deficit is likely to be substantially less by the end of 1946 than I thought it would be"—but he referred to the dollar deficit, which is the crux of the whole problem, only in very guarded terms. This "hard core," the deficit incurred in hard currencies, "needs constant watching." But no mere watching, however vigilant, will dispose of it, as Sir Stafford Cripps has more forthrightly admitted. He declared that unless the lopsidedness of Britain's external accounts is redressed by a large increase in exports to the hard currency areas, "drastic action" will be needed in the next year or two "to enable Britain to carry on"—which is a clear indication that the dollar credits are expected to approach exhaustion by about early 1949. But, although Sir Stafford's arguments look like being the first of a series of pleas, warnings and, perhaps, threats to industrialists to reshape their export programs and redouble their efforts, even he has given no measure of the precise size of the problem.

The issue is so crucial, and the difficulty of resolving it without new compulsions and constraints so great, that the fullest possible dissemination of the facts is necessary. Yet on this matter, the Government has been scarcely more informative than it was during the war, or during the protracted negotiations for the American loan. Indeed, very little has been added to the official global estimates in the Statistical White Paper which accompanied the Washington Agreement of just 12 months ago, and no comprehensive estimates of the dollar account were issued even then. If the Government really does want the voluntary co-operation of industry in tackling this problem, it must realize that frequent and regular publication of detailed data on the balance of payments—even though many of the items can only be estimated—is at least as important as statistics of housing and production.

Exports Up To 1938 Level

In the meantime, the general shape of the picture can be sketched by intelligent guesswork—though with a rather wide margin of error. Consider, first, the over-all account and, in particular, the sources of the unexpectedly rapid recovery. During the Washington talks in 1945, the over-all deficit for 1946 was put at £750 millions, allowing for a substantial import program and for the probability (as it then seemed) that the flow of exports, in real terms, could not be raised to the pre-war level until the end of the year—which meant that the corresponding income would not be received in cash until early in 1947. In fact, the physical transition from war orders to export production was achieved, at least in the early stages, much more rapidly than had been expected, and, in the conditions of a seller's market, everything that could be produced found buyers as fast as transport could be provided.

The immediate goal of a volume of exports equal to the monthly average of 1938 was reached as early as last July, and, though the pace proved too hot to be sustainable through the holiday months, this level at least looks quite firmly established. In terms of 1938 volume the progression was as follows: 84% in the first quarter of 1946, 97.6% in the second quarter, 103.7% in the third, and 117% for the month of October.

Moreover, there is no doubt that these exports have been paid for much more promptly than the first calculations assumed. Fears of possible currency depreciation in some importing countries have acted as a spur to rapid payment, and in some cases have even led to advance payments. This practice had its effect upon buyers in countries whose currencies were solidly based for fear that preference in the allocation of scarce goods might be given to those who offered cash in advance or, at least, cash with order.

For these reasons, actual cash receipts from exports in 1946 have far surpassed the best hopes of 12 months ago. Moreover, it is certain that the bill for imports has fallen well short of expectations. This, however, is no reason for satisfaction. The large import program that was planned early this 1946 embraced only urgent requirements, and the short fall below those estimates does not reflect any desirable or praiseworthy economy. It derives simply from sheer physical shortages and transport bottlenecks. The large flow of industrial raw materials and specialized machinery which, it was contended, the American loan would speedily bring to the aid of Britain's industrial re-equipment, has so far turned out to be a mere trickle—the main dollar imports so far have been food, films and other immediate consumables.

The reduction in imports on this account is really a loss, not a gain, to the balance of payments, for the goods in question are still needed, and the delay in getting them must be tending to retard export production and reconversion in general. To some extent, this same argument even applies to the enforced curtailment of food imports—partly because of the severe inroads that have been made into stocks, and partly because of possible repercussions upon workers' incentive.

Invisible Expenditures

The effect of these influences on exports and imports has been large. There is no doubt that the improvement in the over-all balance of payments by comparison with the fears of 1945 is attributable mainly, if not wholly, to the net receipts from the visible trade accounts. The amount of the visible deficit assumed in the estimated over-all deficit for 1946 of £750 millions has never been published, but it may well have been as large as £550 to £600 millions.

In the first 10 months of the year the actual deficit was only £281 millions, with total imports (on the usual c.i.f. valuation) at £1,055 millions and total exports at £774 millions. For the full year, imports may be put at under, rather than over, £1,300 millions, and exports at over, rather than under, £930 millions—a prospective difference of, say, £350 millions. This is actually a smaller figure than in 1936-38, despite the increased price level. But the invisible account now bears a huge burden, which did not exist before the war, representing the wartime legacy of vast government expenditure overseas.

Mr. Dalton revealed early last year that continuing military expenditure in 1946 was expected to require £300 millions. The non-military expenditure was not disclosed, but has certainly been larger than was contemplated at the time of the Washington Agreement, principally because of the large outlays in Germany—though the strain of these has been moderated in recent months by the curtailment of American food shipments. Some items of military expenditure—especially in Palestine—have evidently not fallen as had been hoped, but the rate of contraction in the Far East has probably bettered the estimates, and there have also been large receipts from sales of war surpluses.

On balance, the Government's net bill overseas in 1946 has probably been of the same order of magnitude as the visible deficit—or perhaps a little less. Other invisible debits last year comprise about £18 millions for film royalties, perhaps £5 millions each for net tourist outlays and the overseas costs of operating the civil airlines (including purchase of aircraft), and at least £30 millions to allow for "exports" which are not sold for cash but simply represent the re-equipment of British undertakings operating abroad.

On this basis the total bill to be met—the visible deficit plus invisible expenditure—may be put at, say, £730 to £760 millions, a substantial part of which is, even now, financed by invisible income. The receipts from investments are difficult to estimate, partly because the pre-war practice of accounting only dividends paid was always of doubtful validity. But if the receipts are now taken to include not only dividends but "retained" earnings of British concerns operating abroad (which in present conditions are largely employed in purchases from this country as fast as the re-equipment goods become available), the 1946 figure will certainly show a modest improvement upon the £97 millions estimated for 1945 (compared with £203 millions for 1936-38).

Estimates of shipping income are complicated by the practice that has grown up during the war, in all internal reckoning, of valuing imports f.o.b., instead of c.i.f. as in the pre-war balance of payments estimates and in the trade returns throughout. Although British merchant tonnage is still hardly more than three quarters of its 1939 level, freight rates are much higher, and receipts are probably running at fully £30 millions above the pre-war figure of £105 millions.

But British imports also bear the higher freight rates, so that even this increased shipping income is probably scarcely sufficient to cover the cost of transporting goods into Britain. This presumably explains the contrast between larger total earnings from shipping and the statement, in the Loan Agreement White Paper, that this income would be gravely reduced until shipping losses were made good. Finally, there are sundry receipts from miscellaneous remittances and commissions, the amount of which can only be guessed. If these are put at £30 millions, the invisible credits would total about £280 millions, compared with total debits of £730 to £760 millions. On this basis the deficit would be about £450 to £480 millions before allowing for any increased lag in payments for exports. At a guess, this suggests an over-all cash deficit for the year of rather under £500 millions—unless governmental expenditure has risen more substantially than seems probable.

The Other Side Of The Picture

An improvement of £250 millions or more upon original guesses would obviously be extremely satisfactory. Yet such a figure would give a very distorted impression of the realities of the balance of payments problem. Several sources of distortion have already been mentioned—the curtailment of imports has in effect involved drafts upon capital; the working capital required for export finance has been kept artificially low by purely transitory influences; the exports themselves have been achieved in the most favorable conditions of the sellers' market. And, as Sir Stafford Cripps has reiterated recently, exports for a time may be increasingly handicapped by shortages of raw materials—especially steel.

Moreover, at the very time when exporters begin to feel the effects of increased competition, the volume of imports will be rising because supplies are at last becoming more freely available. There are signs that this expansion is already beginning, but the movement has a long way to go yet. The 1945 estimates for the transitional period envisaged that eventually imports would have to rise to their pre-war volume if domestic full employment was to be achieved at a reasonable standard of living. In the first nine months of last year imports were running at only about two thirds of 1938 volume, and even in October the proportion was less than four fifths. Moreover, the terms of trade have been shifting steadily against Britain. In 1946, not only was the volume of imports restricted, but the import bill had not felt more than a minor part of the impact of increased American prices. The 1947 bill will rise steeply.

Hard Currency Deficit

For all these reasons, the global deficit for 1946 will distort the true position. But even more serious than these factors—for the global deficit will certainly continue to decline—is the state of the deficit in terms of hard currencies. Even now, it is often contended by the most fervent advocates of multilateralism that it is only the global deficit which matters. Britain shortly will have good reason to appreciate the virtues of multilateralism—but only because she will be suffering acutely from its absence, for, while sterling must be made fully convertible, many other currencies will remain inconvertible for an indefinable transition period. In the first nine months of 1946 Britain's visible deficit was running at rather under £345 millions per annum, but the deficit with the principal "hard currency" countries — the United States, Cuba, Santo Domingo, Canada, Argentina and Sweden —was running at fully £420 millions, of which some £365 millions represented trade with the dollar area.

Moreover, even this visible deficit is not a full measure of the extent of the dollar outgoings, because a substantial part of the Governmental expenditure, especially in Germany, is incurred in dollars, and because Britain's dollar reserve has to meet the whole dollar needs of the sterling area. Yet, on the basis of current dollar prices, the purchasing power of the American loan, as Mr. Dalton estimated, has been reduced by, say, 23%.

The external problem before Britain at present is not primarily the problem of the global balance. That is likely to continue to improve substantially upon the original estimates (which foreshadowed a deficit of £500 millions for 1947 and 1948 combined). The crucial need is to redress the hard currency account. There can be no escape from this problem—unless multilateralism and free convertibility of currencies proceed far more rapidly than anyone dares to hope. And it would be folly to count upon any perceptible relief from such progress during the critical two years or so for which the dollar credits will hold out.

The Government, for the present, has evidently decided not to attempt any specific directional control of exports, though it will obviously use its powers to license raw material supplies to exert pressure in the appropriate directions. It is very questionable whether any more specific control would work, quite apart from its political and psychological inexpediency. But if direct action must be ruled out, the Government dare not sit back and simply watch Britain's external finances drift steadily toward the rapids of 1949 and 1950. The only possible course seems to be a sustained campaign of exhortation and education, combined with vigorous official exploration of export opportunities in all cases in which private market research looks inadequate.

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WEEK ENDING JANUARY 24

Range 1946-47 High	Low	Div R'te $	Jan24 Y'ld %		Sales	Last Jan. 17	Week end. Jan. 24 H	L	Cl'se
22¾	14	*	...	Abitibi n.	24581	18¾	20½	18½	19¾
21⅝	15	*	...	Do. $1.50 pf n	71499	19½	21⅝	19¾	21
41	34¾	.	...	Do. $2.50 pf n	1410	39	41	39	40
24	19	1.00	4.6	Acadia Atlan A	750	22½	22½	22	22
107	103	5.00	4.8	Do. 5% pref.	65	106	105	105	105
12	7	.	...	Acme Glove	580	8	8¾	8½	8¾
41½	28	1.80	5.5	Agnew Surp.	65	32	32½	32½	32½
28	16		...	Algoma Steel	1197	23½	24	23	23½
103	99½	5.00	4.9	Do. pref.	345	100½	101½	101½	101½
27¾	26	1.00	3.8	Alum of Can p	1280	27	26¾	26½	26½
230	129½	8.00	4.1	Aluminium	812	195	196½	193	196½
20	15	*	...	Amal. Electric.	10	15	15	15	15
23	13	▲■1.00	..	Andian Nat.	100	14	13	13	13
53	51¾	2.50	4.8	Ang Can Tel p	50	52½	52½	52½	52½
12	6½	.40	4.7	Argus	1715	8¾	8¾	8½	8½
105	91	4.50	4.8	Do. 4½% pref.	20	91	94¾	94	94¾
3.62½	1.00		...	Do. Warr.	1099	1.40	1.50	1.30	1.50
35	23	.80+.80■‡		Asbestos	10424	27¾	28¾	27	28¾
18	12½	.60	4.1	Ashdown Hdwe	290	14½	14¾	14½	14½
11¾	8¾	.60	5.6	Atlas Steels	1055	11½	11½	10¾	10¾
22½	16½	.70	3.3	Bk. Can. Nat.	654	21½	21½	21½	21½
27¾	21½	.80+♦.15	3.1	Bk. Montreal	2020	26	26¾	26	26½
40	28½	1.20	3.2	Bk. N. Scotia	760	38	38	37½	38
40	32¾	1.20	3.1	Bk. Toronto	110	39¾	39½	39	39
24¾	18	1.00	4.5	Bathurst Pr. A	1070	22	22½	22	22½
8	3		...	Do. (B)	431	6¾	7	6	6
50½	39	2.00	4.8	Beatty Bros. A.	25	41½	41½	41	41½
30	19¾	1.00	4.8	Beaver Lumber	58	30	21	20	21
216	170	8.00	4.3	Bell Telephone	1199	187	188	187	187½
23½	17½	1.00	5.3	Bertram (A)	50	18½	19	19	19
8	4	.	...	Do. (B)	80	4½	4½	4½	4½
25½	21	1.00	4.4	Biltmore H p A	200	22	22½	22	22½
14½	10	*	...	Blue Ribbon	115	13	14	13	14
16½	10	*	...	Brand. Hender.	115	13	13½	13½	13½
3½	2¾	.	...	Brand & Mill.	1475	3	3	2¾	2¾
30¾	20½	2.00	8.8	Brazilian Tr.	3620	22¾	22¾	22½	22¾
17	12½	.50+.20	..	Brew & Distil.	260	16	16	15¾	16
28½	25	1.00	3.9	Brit. Amer. Oil	942	26½	26½	26	26
29½	20	1.00	4.8	Br Am Bk Nts	185	21	21½	21	21
5½	2½		...	B.C. Forest	19305	3¾	4½	3¾	4½
11¾	6	♦.12½	..	B.C. Packers B	225	8½	8½	8½	8½
78	40		...	B.C. Pulp & P.	20	48	52	48	52
185	153	7.00	4.6	Do. pref.	8	162	161	153	153
35	25	1.60	5.5	B.C. Power A.	372	28½	29	28½	29
5	2½		...	Do. (B)	1030	2¾	2¾	2¾	2¾
2.40	.85	*	...	BC Turf & CC	800	1.35	1.17	1.12	1.12
8¾	4	*	...	Brown Co.	6235	4½	4¾	4½	4½
104½	67½		...	Do. pref.	735	79½	82	79½	82
14	10	■.30	...	Equitable Life.	14	13	14	13	14
22½	21½	1.00	4.6	Esmond Mills	10	21	21¾	21¾	21
6	2	*.25	..	Fairchild Air	330	3	3½	3	3½
22½	15	.80+■0.5	4.4	Fam Players	1740	18½	18¾	17¾	18
67	43½	♦1.50+■.50		Fanny Farm.	3640	53	67	52¾	64
11	5¾		...	Federal Grain.	900	8¾	9	8½	9
134	98	■6.50	..	Do. pref.	450	120	120	119	125
7¾	4½	.	...	Fittings	245	7½	7½	7½	7½
5	3½	.	...	Fleet Mfg.	6295	4½	4¾	4½	4½
4.00	1.50	.	...	Fleury Bissell.	150	3.00	4.00	3.00	4.00
35	22½	.	...	Do. pref.	62	30	37	37	37
32¾	18	*	...	Ford Motor A.	12547	20½	20¾	20	20½
1.25	.30		...	For. Pr. Secs.	300	.50	.55	.50	.50
34	24¾	1.40	5.7	Foundation Co.	70	25	25	24¾	24¾
73½	43	2.00	4.0	Fraser Cos.	733	49¾	50½	49	50
20	13½	.90+♦.10		Gatineau Pwr.	640	18½	18	17½	18
111½	105	5.00	4.6	Do. pref.	11	110	110½	110½	110
111	106	5.50	5.0	Do. 5½%	75	110½	110½	110	110½
7¾	3½		...	Gen. Bakeries	1730	4¾	5½	4¾	5
21½	9	♦.50	...	Gen Products A	100	20	19½	19½	19½
20¾	15½	.80	4.6	Gen. St. Wares	530	17½	17¾	17½	17½

Range 1946-47 High	Low	Div R'te $	Jan24 Y'ld %		Sales	Last Jan. 17	Week end. Jan. 24 H	L	Cl'se
109½	104	5.00	4.7	Do. pref.	27	105	106	105½	105½
113	109	4.00	3.7	Goodyear Tires	30	109½	109	109	109
57	52½	2.00	3.6	Do. pref.	25	55½	55½	55	55
12½	10¾	.50	4.3	Gord McKay A	320	11¾	11¾	11¾	11¾
25½	15½	.50	2.0	Do. (B)	125	24¾	24¾	24½	24¾
22	20	1.00	4.8	Grafton, A.	75	21	21	20¾	21
35	15	.	...	Gt. Lakes Pap.	2969	24½	28½	25	28
70	42	2.50	3.7	Do. (A)	746	65	68	64½	68
15½	9	.	...	Gt. W. Saddlery	39	10½	10½	10	10
7	4½	.20	4.0	Greening Wire.	270	5½	5½	5	5½
14½	6	.	...	Gurd, Chas.	30	13½	14½	14	14½
18½	12½	.80	5.0	Gypsum, Lime.	6435	16	16½	15½	15½
22	18½	1.00	5.1	Hahn Bros. pf.	40	20	19½	19½	19½
14½	6½		...	Ham. Bridge	365	8	8½	8	8½
21½	18	.90	5.0	Ham. Cot., pf.	25	18	18	18	18
16½	9½	♦.20	...	Harding Carpet	330	10½	10½	10	10½
183	183	7.00	3.9	Tuckett Tob. p	12	183	183	182	182
26	12	.	...	Twin City	100	14	14½	14½	14½
12¾	8½		...	Union Gas	1665	9¾	10	9¾	10
31	26	■1.00	..	Un. Amuse. A.	20	31	31	31	31
32	26	1.50	5.0	United Corp. A	10	30	30	30	30
31	19	1.00	4.8	Do. (B)	50	20½	20¾	20¾	20¾
36½	10	■.10	...	United Distill	25	33½	22	22	22
58	40¾	3.00	6.2	United Fuel, pf	50	48	48	47½	48
11	5½		...	Do. B pref.	315	6½	6½	5¾	6
20½	16	1.00	5.1	United Grain A	95	19½	19¾	19¾	19¾
16½	5	.	...	United Secs.	211	7½	10	8¾	10
13½	8½	.70	7.6	United Steel	2145	9½	9¾	9½	9½
25½	25	1.25	5.0	Vir Dare 5% p	20	25¾	25½	25½	25½
8	7½	.28	3.0	Viceroy	30	8	9	9	9
99	74½	4.00	5.2	Wabasso Cot.	85	78	78	77	77
31½	24	♦.30	...	Walker-Good.	11238	24½	24¾	24½	24¾
15½	9½	.80	5.3	West Brew.	75	15	15	15	15
3.00	1.00		...	West Grain	260	2.00	2.00	1.90	1.90
30	18	3.00	10.5	West Grocers.	125	28½	29	28½	28½
44¾	30	1.40	3.9	Do. pref.	25	37	36	36	36
38½	33½	1.50	4.1	Do. (A)	30	36¾	36¾	36¾	36¾
30	22	1.00	4.2	Westeel	145	23½	24	23½	23¾

Range 1946-47 High	Low	Div R'te $	Jan24 Y'ld %		Sales	Last Jan. 17	Week end. Jan. 24 H	L	Cl'se
36¾	22	.80	2.7	Weston George	290	29½	29½	29½	29
108½	103¾	4.50	4.3	Do. 4½% pf.	80	107	106	106	106
27	22	1.00	4.6	Wilsils	210	22	22	22	22
14½	11	.	...	Windsor Hotel	12	14½	13½	13½	13½
21¾	10	■.50	...	Winnipeg El. A	1094	14½	14½	14	14
105	94½	5.00	5.1	Do., pref.	45	99	99	99	99
29	22	1+♦.50‡		Wool Combing.	40	25½	25¾	25¾	25½
19	13½	.40	2.7	York Knitting.	113	15	14¾	14	14¾
45	34	1.00	2.7	Zellers	75	36½	37	37	37
30½	25½	1.50	5.4	Do. 6% pref.	100	27	28	28	28

†Paid in 1944. *Paid in 1945. ■Paid in 1946.
▲N. Y. funds. ‡Extra. xOn arrears.
♦Paid or payable in 1947. §Net after income taxes.
●Dividend deferred.

Mining Stocks

Week Ending January 24

Range 1946-47 High	Low	Div. Rate $	Jan. 24 Yield %	Company	Sales	Last Jan. 17	Week Ending Jan. 24 High	Low	Close
.45	.19	.....	....	Alger	13,600	.20	.26	.21	.25
.30	.10	.....	....	Alta	5,000	.12½	.10	.10	.10
1.85	.80	.....	....	Akaitcho	2,200	1.20	1.40	1.25	1.30
2.40	1.00	.....	....	Amal. Lard.	14,838	1.73	1.80	1.72	1.79
.38	.13½	.....	....	Amer. Y.K.	500	.16	.16	.16	.16
13.00	7.50	.20	2.2	Anglo-Hur.	245	9.10	9.00	8.75	9.00
1.95	.90	.....	....	Anglo-Rou.	4,800	1.19	1.20	1.15	1.20
.30	.07	.....	....	Ansley	19,500	.11	.11	.10	.11
.86	.48	.....	....	Aquarius	3,500	.49	.54	.53	.54
.24½	●.07½	.....	....	Area	5,000	.13	.13½	.12	.12½
.55	.22	.....	....	Arjon	11,200	.24	.27	.22½	.25
1.70	.68	.....	....	Armistice	19,160	.84	.93	.85	.91
.11½	.03	.....	....	Arno	1,000	.03½	.03½	.03½	.03½
.62	.09½	.....	....	Arntfield	32,300	.10	.11	.10	.10½
.22	.06	.....	....	Ashley	500	.08½	.08	.08	.08
.87	.15	.....	....	Astoria Q.	10,150	.18	.19	.18	.19
.50	.20	.....	....	Athona '37	9,460	.28	.30	.24	.30
.55	.16	.....	....	Atlas Y'fe	1,000	.22	.24	.24	.24
1.02	.25	.....	....	Aubelle	9,100	.28	.30	.28	.30
1.55	.46	.....	....	Aumaque	31,600	.68	.71	.65	.70
.59	.37	.....	....	Kelwren	22,183	.41	.44	.40	.42
1.76	.26	.....	....	Kenville	6,000	.40	.40	.36½	.40
17.87½	11.25	♦.03	....	K. Addison	4,130	13.50	13.87½	13.37½	13.75
1.00	.30	‡.05	....	Kerr Lake	200	.45	.50	.50	.50
.46	.35	.....	....	Kirk.G.Gate	22,700	.31½	.46	.40	.43½
2.30	.75	.....	....	Kirk. H. Bay	3,100	.95	.91	.90	.90
2.90	1.15	‡.03	....	Kirkland L.	23,400	1.48	1.58	1.43	1.57
.55	.14	.....	....	Kirk. Town	1,100	.17	.18	.17½	.17½
.13	.07	.....	....	Kootenay B.	600	.08	.09	.08	.09
11.00	●.55	.....	....	Labrador	800	5.65	5.75	5.60	5.50
.65	.23	.....	....	Laguerre	5,000	.40	.41	.39	.41
1.42	.45	.....	....	L. Dufault	26,300	.72	.80	.72	.80
.19½	.06	.....	....	L. Fortune	1,500	.09½	.09	.09	.09
.42	.19	.....	....	L. Rowan	14,707	.27	.35	.24	.27½
26.76½	13.00	‡1.76	....	Lake Shore	4,132	13.87½	15.75	14.00	15.37½
1.25	.53	.....	....	Lake Wasa	17,669	.....	1.25	.58	1.16
8.75	5.50	♦.02½	....	Lamaque G.	1,235	5.80	6.25	5.75	6.25
.22	.07	.....	....	Lapa Cad.	5,000	.08½	.09	.08	.09
.71	.25	.....	....	Lapaska	7,600	.38	.39	.35	.39
.17	.11	.....	....	Larder "U"	47,900	.12	.13	.11	.11½
1.55	1.20	.08	5.8	Leitch Gold	2,800	1.30	1.40	1.32	1.39
.37	.18	.....	....	Lexindin	7,200	.33	.34	.32	.31
.86	.14	.....	....	Vicour	3,000	.19½	.19½	.18	.18
.42	.08	.....	....	Villbona	1,000	.15	.15	.15	.15
5.00	3.80	†.70	....	Waite Am.	12,573	4.80	4.95	4.70	4.90
.55	.22	.....	....	Wekusko	12,300	.22	.25	.22½	.23
.10	.03	.....	....	Wellington	6,000	.04	.05½	.04½	.05
.60	.16	.....	....	West Mal.	4,300	.18	.20	.17	.17
.32	.07	.....	....	Westville	30,000	.08½	.09½	.08½	.09½
.30	.11½	.....	....	Wiltsey C.	16,500	.15½	.15½	.14½	.15
.41	.15	.....	....	Winchester	42,900	.19	.20	.15	.19
.02	.00½	.....	....	Wpg. R. Tin	1,000	.01½	.01	.01	.01
.42	.13	.....	....	Winora	6,600	.14	.15	.14	.15
6.55	2.95	♦.04	....	Wright-Har.	11,855	3.10	3.35	3.05	3.30
.61	.20	.....	....	Yellorex	1,500	.21	.25	.20	.22
.39	.10	.....	....	Ymir Girl	1,700	.11	.11	.10	.11

Oil Stocks

Range 1946-47 High	Low	Div. Rate $	Jan. 24 Yield %	Company	Sales	Last Jan. 17	Week Ending Jan. 24 High	Low	Close
.11½	.04	.....	....	Acme L.&C.	1,500	.04	.04½	.03	.03
.10	.02	.....	....	Admiral	2,000	.03½	.03¾	.03½	.03½
.22	.05½	.....	....	Alliance	17,000	.07½	.07¾	.06	.06½
.34¾	.07	.....	....	Alta. P. Con	4,854	.12	.14	.11	.14
.09½	.03½	.....	....	Anaconda	2,000	.04½	.04½	.04	.04
1.37	.90	‡.05	....	Anglo Can.	3,350	1.03	1.03	1.00	1.00
.23	.05	.....	....	Apex	15,600	.08	.09	.07	.08½
.55	.12	.....	....	Br. Dom.	6,550	.18	.18	.16	.16½
2.90	1.55	.10	5.4	Calg. & Ed.	6,925	1.84	1.90	1.80	1.85
.56	.20	.....	....	Calmont	3,000	.26	.25	.24	.25
.47	.10	†.03	....	Coastal	8,500	.15	.15	.14½	.14½
.15	.10	.....	....	Command	30	.15	.14	.14	.14
.50	.28	‡.01	....	Commoil	1,650	.37	.35	.33	.33
.51	.25	.....	....	Common P.	400	.35	.34	.31	.31
.85	.25	.....	....	Dalhousie	8,043	.30	.35	.31	.33
.20½	.08	‡.01	....	Davies Pete.	250	.11½	.10	.10	.10
.13	.05	.....	....	East Crest	10,500	.05	.05½	.05½	.05½
2.20	1.45	‡.25	....	Foothills	2,500	2.15	2.20	2.05	2.05
.02	.01	.....	....	Freehold	3,000	.01	.01½	.01½	.01½
1.00	.50	.....	....	Gaspe	500	.75	.75	.75	.75
.05½	.02	.....	....	Harga	1,100	.03	.02½	.02½	.02½
.14½	.05½	.....	....	High Sarcee	1,300	.09	.08½	.08	.08
4.40	2.00	‡.15	....	Home	6,320	2.90	3.05	2.80	3.00
.11	.04½	.....	....	Homestead	28,350	.05½	.05½	.05	.05
.03½	.00¾	.....	....	Lethbridge	10,850	.01	.01	.01	.01
.40	.25	.....	....	Lowery	403	.36	.40	.40	.40
.14	.05	.....	....	McD. Segur	3,500	.07½	.07	.06½	.06½
.08	.03	.....	....	McLeod	15,632	.05	.05½	.04	.04½
.11	.04	.....	....	Mercury	1,300	.05	.05	.05	.05
.17	.05	.....	....	Mill City	9,500	.07½	.07½	.06½	.07
.26	.16	‡.02	....	Model	2,750	.16	.19	.18	.19
.20½	.10	‡.01	....	Nat. Pete.	7,500	.15	.15	.14½	.15
.90	.35	.....	....	Okalta	3,635	.44	.45	.41	.45
.18	.05	.....	....	Pacalta	6,666	.07	.07	.06	.06
1.05	.34	‡.10	....	Pac. Pete.	14,110	.85	.91	.85	.86
.05½	.02	.....	....	Phillips P.	1,000	.02½	.02½	.02½	.02½
.12	.07	.....	....	Princess P.	3,250	.09	.09	.09	.09
1.87	.40	.....	....	Roxana	20,400	.78	.78	.75	.75
.05½	.03	.....	....	Royal Can.	8,500	.05	.04½	.04½	.04½
25.50	14.00	1.00	6.3	Royalite	370	15.50	16.50	15.50	16.00
.40	.16	.....	....	So. West Pete	50	.22	.18	.18	.18
.10½	.05½	.....	....	Sunset	3,700	.08	.07	.07	.07
.25	.20	.....	....	Superior	1,500	.22	.22	.22	.22
1.45	1.19	.....	....	Texas Can.	30	1.20	1.20	1.20	1.20
.04	.01½	.....	....	Trans Alta.	9,300	.01½	.01½	.01½	.01½
.45	.10	.....	....	Turner V.	800	.45	.43	.40	.43
.14½	.05½	.....	....	United Oils.	1,100	.07	.07	.07	.07
.16½	.09	.....	....	Vanalta	2,300	.13	.13	.10½	.10½

† Paid in 1944. ▲ N.Y. Funds. † Paid in 1943. ‡ Extra.
■ Sup. appl. F. R. C. B. ‡ Paid in 1945. ‡ Capital Repayment.
● Dividend deferred. ♦ Paid or payable in 1947.

Volume of Stock Sales

	Montreal	Toronto	Vancouver	New York
Jan. 27	234,300	1,515,000	114,408	1,720,000
Jan. 25	......	......	......	870,000
Jan. 24	224,800	1,949,000	114,857	1,210,000
Jan. 23	251,700	1,325,000	103,650	1,110,000
Jan. 22	228,500	1,322,000	87,440	840,000
Jan. 21	131,100	935,000	107,104	880,000

Unlisted Mines

Approximate quotations, 3 p.m., Jan. 27, subject to confirmation:

	Bid	Ask		Bid	Ask		Bid	Ask	[illegible]		
Abenakis	.08	.09	Durham	.25	.28	Marquette	.04	.05	Poona Go	.03½	.04½
Advance	.06	.09	Doris	.27	.31	Mar Bird	.07½	.08½	Presdor	.04	.04½
Alcan	..	.07	Dufalma	.14	.16	Mary Ann	.06	.07	Privateer	.37	.40
Alexander	.09½	.11	Echo Indin	.07	.09	Mat Con	.33	.36	Quest	.17	.20
Aljo	.02	.03	Electra	.07	.10	Mate Yel	.08	.11	Rajah RL	.05	.07
Ama Kir	.15	.17	Elmac	.11½	.12½	Metalore	.06	.09	Rambull	.03	.04
Anna'que	.04	.06	Erin Kirk	.02½	.04	Mic of Cn	1.95	2.10	Rand Mal	.08	.10
Argonaut	.04	.05	Eurek Co	2.55	2.60	Miles RL	.21	.25	Randona	.04	.06
Audley	.02	.04	Flicka	.11	.14	Mink	.09	.11	Raym Tib	.05	.06
Aurlando	.05½	.07	Gilbec	.01	.03	Moffat H n	.02½	.03½	Rebair	.27	.30
Aurora Y	.31	.33	Goodrock	.02	.03	Mohawk P	.02	.04	Redruth	.03	.05
Auterra	.02½	.04	Gord Lebel	.10	.12	Murbell	.02	.03	Redwood	.05	.06
Barb L n	.04	.06	Gov Gold	.05	.08	Murmac	.18½	.20	Richgroup	.10	.12
Blondor	.03½	.04	Grnd Chil	.70	.85	McCuaig	.10	.11	Rhyolite	.02½	.03½
Blue Grass	.04	.06	Greenlee	.11	.13	McManus	.09	.11	Rugged RL	.08½	.11
Bouzanne	.08	.11	Gwillam	.06	.07½	Nat Mal	.25	.27	Rupununi	.30	.33
Bourl Cent	.06	.08	Habitant	.11	.13	Nayb '45	.32	.37	Russet	.16	.18
Bradnor	.05	.08	Harp Mal	.02¼	.02¾	Nereco	..	.22	Salmita	.23	.28
Br Breust	.06	.07	Hayes Cd	.01½	.02½	New Aug	.09	.11	Santiago	.26	.29
Bravo	.03½	.05	High Bell	.80	.90	New Mal	.04½	.05½	Sepha	.05	.07
Brig RL	.06	.08	Hornfault	.15	.17	Nic Off	1.75	2.50	Sheldon	.20	.23
Burley Po	.01½	.02½	Hugh PP	.08	.09	Norbeau	.67	.72	Skyn Lk	.03	.05
Camlaren	.07	.09	Independ	.07	.09	Norcourt	.10	.12	Sovereign	.15	.18
Captain	.07	.09	Indyke	.07	.12	Norford	.05	.07	Steeber	.03	.04
Carimac	.09	.13	Joannes D	.02	.03½	Normar	.07	.08	Sun Bear	.06½	.08
Carricona	.03	.04	Kamlac	.20	.22	Norpick	.36	.39	Thornhill	.07	.08½
Cassidy	.12	.15	Ken-Bay	.05	.08	Nortyne	.03	.06	Tiffany	.03	.05
Con Mani	.06	.07	Kencour	.07	.08	Novele P	.07	.09	Tobico	.02½	.04
Cock RL	.06	.07	Kenda Pe	.22	.25	Obalski	.10	.12	Tovarich	.02½	.03½
Columbier	.09	.11	Kenroy	.03½	.05	Do. '45	.17	.19	Val d'Bei	.07	.08
Con Chib	.24	.27	Lk Expa	.06	.09	Obaska	.20	.23	Vin Min	.42	.46
Con Cop	.18	.20	Lar-Add	.07	.09	Oklend	.09½	.10½	Vinray	.12	.13
Courageo	.14	.16	La Salle	.12	.15	Olivet	.02½	.03½	Virginia	..	.12
Craibbe	.15	.17	Lavalie	.07	.08	Opemiska	.22	.25	Wesley	.04½	.04¾
Croydon	.04	.06	Legardo	.02	.04	Orpit	.03	.04	West RL	.05	.07
Cuyuni	1.10	1.20	Lennie	.09	.12	Ortona	.04½	.05½	West Shore	.02½	.03½
Derlak	.05	.07	Lingnora	.08	.10	Pascalis	.27	.30	Wilwood	.05	.07
Despina	.29	.32	Louvore	.02½	.03½	Peg Tan	1.70	1.90	Wingait	.16	.18
De Sant n	.07	.09	Major Oil	.02	.04	Pelangio	.07½	.09	Yel'knife	1.90	1.95
Dexter	.38	.43	Mallen RL	.11	.12½	Payne	.30	.33	Y Davids	.26	.29
Dom Mal	.02	.03	Manterre	.05	.07	Phelps	.03	.04½	Pinnacle	.03½	.05
Dona Pat	.02½	.03½	Marbenor	.23	.25						

Grain Prices

Winnipeg Grain Futures

Week to Jan. 27, 1947

Crop year from Aug 1, 1946 High	Low		High for week	Low for week	Close Jan. 27
		Oats*			
.51½	.51½	May	.51½	.51½	.51½
		Barley*			
.64¾	.64¾	May	.64¾	.64¾	.64¾
		Rye			
2.73⅝	1.69½	May	2.64	2.57⅛	2.63½
2.53	2.11⅞	July	2.38½	2.32⅛	2.35⅛
2.15	1.81⅛	Oct.	1.90⅝	1.87⅛	1.90

*At ceiling.

Cash Quotations

For Week

	Jan. 27 High	Low	Prev. Week High	Low
Oats*				
2 C. W.	.51½	.51½	.51½	.51½
3 C. W.	.51½	.51½	.51½	.51½
Barley*				
1 Feed	.64¾	.64¾	.64¾	.64¾
2 Feed	.64¾	.64¾	.64¾	.64¾
Rye				
2 C. W.	2.66½	2.61	2.64⅝	2.53⅝

*At ceiling.

Dividends Declared

	This payment $	Date payable	Date of record
Aluminium	2.00	Mar. 5	Feb. 27
Aluminum Co.	.25	Mar. 1	Jan. 29
Anglin-Norcr's	1.50+1.00	Feb. 1	Dec. 31
Anglo-Can. Tele.	.56¼	Feb. 1	Jan. 10
Argus	*.10	Mar. 1	Jan. 31
Do., pf.	1.12½	Mar. 1	Jan. 31
Atlas Steels	♦.15	Feb. 1	Jan. 16
Ault & Wiborg	1.37½	Feb. 1	Jan. 15
Aunor Gold	.05	Mar. 1	Feb. 7
Bank of Montreal	.20	Mar. 1	Jan. 31
Bank of Toronto	.30	Mar. 1	Feb. 15
Bk. of Nova Scotia	.30	Feb. 1	Jan. 16
Bathurst Pwr.	.25	Mar. 1	Feb. 1
Beaver Lumber new	.50	Feb. 1	Jan. 10
Do., 1.40 pfd.	.35	Apr. 1	Mar. 10
Do., 7% pf.	1.75	Apr. 1	Mar. 10
Belding-Corticelli	1.00	Mar. 1	Jan. 31
Belleterre Que. M.	.10	Mar. 15	Feb. 28
Bertram & Sons	.25	Feb. 15	Jan. 15
Blue Ribbon Corp.	.62½	Feb. 1	Jan. 20
Bowes Co.	*.12½	Feb. 15	Jan. 18
B. C. Pulp & P. Co.	1.75	Feb. 1	Jan. 15
B. C. Silk Mills	.12½	Mar. 15	Feb. 28
Do., pf. A	.37½	Mar. 15	Feb. 28
Brant. Roof.	.35	Feb. 1	Jan. 15
Bruck Silk Mills	.30	Mar. 15	Feb. 14
Can. Bk. Comm.	.20	Feb. 1	Dec. 31
Caldwell Linens	.25	Feb. 1	Jan. 15
Do., pf.	.37½	Feb. 1	Jan. 15
Do., pf.	.20	Feb. 1	Jan. 15
Calgary Power	1.30	Feb. 1	Jan. 10
Chart. Trust	1.25	Apr. 1	Mar. 15
Can. & For. Secs.	.12	Feb. 1	Jan. 17
Can. Foreign Inv.	.75	Apr. 1	Feb. 28
Do.	.75	July 1	May 30
Can. Bronze	.50	Feb. 1	Jan. 10
Do., pf.	1.25	Feb. 1	Jan. 10
Can. Brew.	.37½	Apr. 1	Feb. 28
Celtic Knitting	.20+.15	Feb. 3	Jan. 15
Coast Brew.	.03	Feb. 1	Jan. 15
Corrugated P. Box	1.25	Mar. 1	Feb. 15
Can. Food Products	.18¾	Apr. 1	Feb. 28
Do., pf.	.25	Apr. 1	Feb. 28
Do., pf. 4½%	1.12½	Apr. 1	Feb. 21
Can. Utilities	1.25	Feb. 15	Jan. 24
Candn. Car	.20	Feb. 22	Jan. 29
Do. pf.	.25	Feb. 22	Jan. 29
Candn. Invest.	.10	Feb. 1	Jan 6
Can Pacific Rly.	2%	Feb. 1	Dec. 31
Can. Sou. Rly.	†1.50	Feb. 1	Dec. 26
Capital Trust	4.00	Mar. 1	Dec. 31
Commonw'lth Intnl.	.04	Feb. 15	Jan. 15
Crown Cork & Seal.	.50	Feb. 15	Jan. 20
Can. Cement	.32½	Mar. 20	Feb. 21
Can. Investment	.05	Feb. 1	Jan. 15
Conduits Nat.	.25	Feb. 5	Jan. 25
Cons. Glass	.50	Feb. 28	Jan. 27
Cosmos Imp.	.30+.15	Feb. 15	Jan. 31
Can. Oil	.20	Feb. 15	Feb. 1
Dom. & Anglo Inv.	1.25	Mar. 1	Feb. 15
Dom. Bank	.25	Feb. 1	Jan. 15
Dom. Bridge	.30	Feb. 25	Jan. 31
Dom. Fabrics	.20	Feb. 1	Jan. 15
Do., 1st pfd.	.75	Feb. 1	Jan. 15
Do., 2nd pfd.	.37½	Feb. 1	Jan. 15
Dom. Scot. Invest.	.50	Mar. 1	Jan. 31
Dom. Oil & Lin.	.30+.10	Jan. 31	Jan. 3
Dist. Corp.-Seag., p.	1.25	Feb. 1	Jan. 11
Dom. Malting	.25	Feb. 1	Dec. 31
Do., pf.	1.25	Feb. 1	Dec. 31
Dom. Stores	.32½	Mar. 15	Feb. 15
Dom. Tar & Chem.	.25	Feb. 1	Jan. 2
Do., pf.	.25	Feb. 1	Jan. 2
Dryden Paper	*.15	Feb. 1	Dec. 31
Dom. Woollens	.20	Feb. 1	Jan. 15
Donnacona pfd.	1.12½	Feb. 15	Jan. 15
Donohue Bros.	.25	Mar. 1	Feb. 15
Eastern Theatres	1.00	Feb. 8	Jan. 15
Esmond Mills	.25	Feb. 1	Jan. 6
Fanny Farmer	.37½	Mar. 31	Mar. 15
Freiman Ltd.	.12½	Feb. 1	Jan. 15
Do., pf.	1.12½	Feb. 1	Jan. 15
Gen. Steel Wares	.20	Feb. 15	Jan. 17
*Do., pf.	1.25	Feb. 1	Jan. 10
Gypsum Lime	.20	Mar. 1	Feb. 1
Do.	.20	June 1	May 1
Do.	.20	Sept. 1	Aug. 1
Do.	.20	Dec. 1	Nov. 1
J. F. Hartz Co.	*.12½	Feb. 1	Jan. 20
Hydro Electric	.25	Feb. 1	Dec. 30
Imperial Bank	.25	Feb. 1	Dec. 31
Intnl. Nickel	1½%	Feb. 1	Jan. 2
Int. Utilities	.22½	Mar. 1	Feb. 16
Lake of the Woods	.40	Mar. 1	Feb. 1
Do., pf.	1.75	Mar. 1	Feb. 1
J. Lang	.25	Apr. 1	Mar. 10
Langley's	2.00	Feb. 11	Feb. 4
Do.	.75	Mar. 11	Mar. 4
Do.	.75	June 11	June 4
Do.	.75	Sept. 11	Sept. 4
Do.	.75	Dec. 11	Dec. 4
Laura Secord	.20	Mar. 1	Feb. 1
Lamaque Gold M.	.02½	Feb. 1	Dec. 20
Loblaw Groc.	.25	Mar. 1	Feb. 4
Loblaw Inc.	.20	Mar. 1	Feb. 7

Dividends Declared (Con.)

Maple Leaf Gdns.	1.00	Feb. 28	Feb. 1
Mercury Mills	.25	Feb. 1	Jan. 13
J. S. Mitchell	2.50	Mar. 1	Feb. 10
McCabe Grain	.15	Feb. 1	Jan. 13
McIntyre-Porc.	.50½	Mar. 1	Feb. 1
Monarch Knit	.15	Apr. 1	Feb. 28
Do., pf.	1.25	Apr. 1	Feb. 28
Midland & Pacific	.22½	Feb. 1	Jan. 25
Montreal Cotton	.13	Mar. 15	Feb. 15
Do., pf.	.44	Mar. 15	Feb. 15
National Drug	.12½	Mar. 1	Jan. 31
Do., pf.	.13	Mar. 1	Jan. 31
Nat. Grocers	.15	Apr. 1	Mar. 3
Do., pf.	.37½	Apr. 1	Mar. 3
O'Brien Gold Mines	.03	Feb. 26	Jan. 24
Ogilvie Flour	.25	Apr. 1	Feb. 25
Do., pf.	1.75	Mar. 1	Jan. 27
Ont. Beauty S'ply p	.25	Apr. 2	Mar. 20
Ont. Steel	.25	Feb. 15	Jan. 15
Do., pf.	1.75	Feb. 15	Jan. 15
Penmans	.75	Feb. 15	Jan. 15
Do., pfd.	1.50	Feb. 1	Jan. 3
Purity Flour	2.25	Mar. 1	Feb. 7
Do., pfd.	.62½	Feb. 1	Jan. 3
Prov. Transport	.25	Feb. 27	Feb. 7
Quebec Pr.	.25	Feb. 25	Jan. 16
Quinte Milk Pr.	.15+.10	Feb. 1	Jan. 24
Robinson Cott.	.10	Feb. 1	Jan. 1
Rolland Paper	.15	Feb. 15	Feb. 1
Do., pfd.	1.06¼	Mar. 15	Mar. 1
Royal Bank of Can.	.20	Mar. 1	Jan. 31
Shawinigan Water	.20	Feb. 25	Jan. 16
Shea's Brew.	.27½	Feb. 15	Jan. 31
Shea's Winnipeg Brew.	.75+.25	Feb. 15	Jan. 31
Sherwin-Wims.	.20+.20	Feb. 1	Jan. 10
N. Slater Co.	.30	Feb. 1	Jan. 10
Stand. Chemical	1.25	Mar. 1	Jan. 31
Stand. Fuel	.56¼	Feb. 1	Jan. 15
Simpsons Ltd.	.75	Feb. 25	Feb. 1
Do., pf.	1.12½	Mar. 15	Feb. 15
Stanley Brock	.10	Feb. 1	Jan. 10
Do., A	.15	Feb. 1	Jan. 10
Steel Co.	.75	Feb. 1	Jan. 7
Do., pfd.	.75	Feb. 1	Jan. 7
St. Lawr. Flour	.40	Feb. 1	Dec. 31
Do., pfd.	1½%	Feb. 1	Dec. 31
Sou. Can. Pwr.	.25	Feb. 15	Jan. 20
Southam Co.	.19	Feb. 15	Jan. 15
Teck-Hughes	.05	Feb. 1	Dec. 20
United Corp. (B)	.25	Feb. 28	Jan. 31
Do., pf.	.33	Feb. 15	Jan. 15
Viceroy Mfg.	.08	Mar. 5	Mar. 1
H. Walker	.20	Mar. 15	Feb. 7
G. Weston	1.12½	Mar. 1	Mar. 15
Woods Mfg.	.50	Mar. 31	Feb. 28
Wool Combing	.25	Apr. 10	Mar. 24
Woods, A. & J.	1.75	Feb. 1	Jan. 15
York Knit.	.20	Feb. 15	Jan. 31
Do., 7% pf. 1	3.50	Feb. 15	Jan. 31
Do., 7% pf. 2	3.50	Feb. 15	Jan. 31
Zellers Ltd.	.25	Feb. 1	Jan. 15
Do., 5% pf.	.31¼	Feb. 1	Jan. 15
Do., 6% pf.	.37½	Feb. 1	Jan. 15

†N. Y. funds. *Initial. ‡Bonus.
♦After 5-for-1 stk. split.

Company Meetings

1947	Company	Place
Feb. 3	Catelli Food	Montreal
Feb. 4	Great-West. Life	Winnipeg
Feb. 4	Lond. & West. Trusts	London
Feb. 5	Belding-Corticelli	Montreal
Feb. 6	Bank of Nova Scotia	Halifax
Feb. 6	Mutual Life Assce.	Waterloo
Feb. 10	Home Invest. & Sav.	Winnipeg
Feb. 10	Montreal C. & D. Bank	Montreal
Feb. 11	Can. Fire Insur.	Toronto
Feb. 11	Can. Indemnity	Toronto
Feb. 11	Orange Crush	Toronto
Feb. 11	Royal Trust	Montreal
Feb. 11	Sun Life Assce.	Montreal
Feb. 12	Brockville Trust & S.	Brockville
Feb. 12	Huron & Erie Mtge.	London
Feb. 12	Northern Trusts	Winnipeg
Feb. 14	Equitable Life Ins.	Waterloo
Feb. 20	Moirs Ltd.	Halifax
Feb. 20	New Bruns. Tele.	Fredericton
Feb. 20	Shawinigan W. & P.	Montreal
Feb. 27	Bell Telephone	Montreal
Feb. 27	Mutual Life Assce.	Waterloo
Feb. 27	Quebec Power	Quebec
Feb. 28	Bruck Silk Mills	Montreal

Bond Redemptions

Bond Issues: 1947.	Rate	Year	Due	Price
Algoma Cen. Ter.	5%	1959	Mar. 15	125
Eaton Rlty. A	4%	1951	Jan. 29	100
Gt. Lakes Pwr.	5%	1957	Feb. 4	102¾
‡Inter. Paper	6%	1955	Mar. 1	106

‡All outstanding.

STOCKS NOT TRADED THIS WEEK

	Div. rate $	Last sale	Jan. 24 Bid	Ask
Assoc. T. & T. A.	■▲1.54	10¾	..	..
Do., pref.	...	...	..	70
Ault & Wiborg	5.50	107	104	..
Auto Fabric. (A)	.60	11¾	11½	12½
Do. (B)	...	5¾	5½	6
Barcelona	...	6	2½	..
Beath & Sons	■1.00	21	..	..
Beatty Bros. (B)	2.00	41	41	44
Beaver Lumber pf.	7.00	160½	..	..
Belding Cort.	6.00+♦1.00	180	..	162
Do., pref.	7.00	167	168	..
Belgium Glove	.80	11¾	11¾	12
Do., pref.	1.00	20	16	19¾
Biltmore Hats, n.	.40	13½	13	13½
Blue Ribbon pf.	2.50	59	55½	60
Blue Top Br. (B)	■.48	40	25	35
Brant. Cord.	.50	11¾	10	11
Do., pref.	1.30	27	27	29
Brant. Roof.	♦.35	18	17½	..
Bright, T. G.	...	25	21½	..
B. C. Packers (A)	.75	15½	15½	15½
Caldwell Linen	.50	12½	12½	13
Do., 1st pref.	1.50	30½	28	30½
Do., 2nd pref.	.80	16	16	18
Can. Cr. Stone	.40	7¾	7½	10
Can. Iron	.80	19	17	..
Do., pref.	.60	12	..	..
Can. Machine	.50	7½	7	8
Can. Starch	†.50	13	10	13
Do., pref.	*1.00	105	108	120
Can. Bakeries	...	9	8½	9
Can. Convert. (A)	.75	17	16	18
Can. Cottons pf.	1.20	30½	..	31½
Can. Fairb.	1+■.25	37½	35	39½
Do., pref.	6.00	150	145½	155
Canadian Fire	4.00	92	..	..
Can. Gen. Elec.	8.00	258	250	275
Can. G. Sec.	♦1.00	20	20	..
Can. Int. I. Tr. pf.	3.00	101	100	..
Can. Oil 5% pf.	5.00	106	105¾	107
Do., 8% pref.	8.00	182	182	183½
Can. Shipbldg. (A)	.60	29	..	..
Do. (B)	.40	9	3	..
C. Wallpaper (B)	1.00	21	21	22
Carnation pfd.	▲4.00	116½	106	..
Cassidy's	...	14	12½	14¾
Do., pref.	7+♦5.25	140	140	..
Catelli Food pf.	.75	15¾	15½	..
Celtic Knit	♦.20+.15	7	6	..
Cent. Can. L'n	8.00	182	181	..
Chart. Trust	5.00	140	136	..
Ch. Gai Wines	♦.30	9	8½	9
Cinzano (A)	...	175	150	175
Do., 5½%	...	4½	4	4
Circle Bar Kt.	.60+.28	21	21	23
Claude Neon pf.	...	56	50	60
Coll. Terminal	♦.25	7	6½	..
Do., pref.	♦.25	7	6	..
Comm. Alcohol pf.	.40	7	6¾	7½
Cons. Fire Co.	...	3¾	4¾	..
Cons. Sand pf.	†2.50	100	..	..
Cons. Textile pf.	...	18½	..	18
Cosmos Imp.	1.20+.15‡	30	25	..
Crain, R. L.	.40	7½	7½	7¾
Crown Dom. Oil	...	8	..	..
Crow's N. Coal	3.00	40	41	43
D. & Fre. (A)	1.00+■.25‡	23	22½	24
Do. (B)	...	4	4	4¾
De Havilland pf.	...	175	175	185
Disher Steel	...	3	3½	4
Do., pref.	■1.50	23	22½	24
Dom. Ang. In.	3+‡2.50	102	90	..
Do., pref.	5.00	110	108½	..
Dom. Electro	...	5½	5½	7
Dom. Envelope	†.20	6	..	..
Do., pref.	3.00	54	54	..
Dom. Fabrics	.80	14	13	14
Do., pref.	3.00	4.00	..	..
Do., 2nd pref.	1.50	29	29	35
Donohue Bros.	1.00	20½	20½	20¾
East Koot. Pr.	...	.25	1.00	3½
East. Theat.	♦1.00	20	20	..
Easy Washing	.50+♦.15	14½	14½	14¾
Economic Inv.	■2.00	39	37	43
English Elect. (B)	...	7	7	7
Federal Fire	■2.50	51¾	..	..
Fibre Prods.	.50	7	7	7½
Fittings (A)	.60	11¾	12	12½
Ford Motor (B)	...	25	19½	32
For. Pr. Secs. pf.	...	12½	..	12½
Freiman	.50	24	..	24
Do., pref.	4.50	99	95	100
Gen. Products pf.	5.00	101½	100	101½
Godfrey	■.75	33	..	..
Gould Pumps	■.45	65½	..	..
Gord. Belyea	2.50	59½	61	64
Grand & Toy	.60	12	12½	19
Gt. West Life	15.00	401	408	..
Gt. W. Saddlery pf.	3.00	54	..	..
Growers Wine	...	1.60	..	..
Guaranty Trust	5.00	117	117	..
Gurd, Chas., pf.	...	143	..	..
Hahn Brass	♦.30	9½	7¾	9½
Halifax Fire	.80	18½	18½	19
Hayes Steel	■.50	24	22½	23½
Hillcrest Coll.	...	.50	.35	.80
Holt Renfrew	...	45	40½	45
Do., pref.	7.00	170	..	169
Humberstone S.	1.25	22	22	25
Hubbard pfd.	1.50	29½	..	28½
Imperial Varn.	.60+■.15	14	14	15
Do., pref.	1.50	31	32	..
Indust. Accept. p.	5.00	106	105	106
Inter-City Bak.	3+1‡	80	..	80
Inter'c Coal	2.00	25	..	30
Do., pref.	6.00	130	125	130
Int. Hydro El. (A)	.50	9½	9½	..
Int. Metal Ind. pf.	4.50	102	103½	105
Int. Mill., pf.	♦4.00	103½	106½	..
Int. Nickel pf.	♦2%	123	132	..
Int. Paints	...	12	11	13
Do., pref.	1.00+♦1.50	33	28	30
Int. Pap. & P. pf.	▲4.00	103½	104	..
Invest. Foundation	♦.35	9	8½	9
Do., pref.	3.00	52½	52½	53
Jam. Pub. Ser. pf.	7.00	140	140	..
Lake of Woods pf.	7.00	171	..	..
Lambert, Alf.	...	10	9	10
Langleys	...	3.00	2.50	4.00
Do., pref.	♦5.00	68	60	65
Legare, pref.	■2.00	27	23	..
Levy Bros.	♦.40	8½	8	..
Lindsay, C. W., p.	▲4.00	110	110	130
Mackin Steel	...	6	6	7
Do., pref.	5.00	80	80	85
Maritime Tele. pf.	.70	19½	20½	..
Marcus Loew's	4.00	90	75	..
Do., pref.	7.00	115	116	..
McBrine	1.00	18	18	19
Mexican Lt. pf.	...	15	..	..
Milton Brick	■.07½	3	2¾	3
Mitchell, J. S.	■2.50	75	..	82
Monarch Knit pf.	5.50	102	101	..
Monarch Life 30%.	12%	87	94	..
Mont. Is. Pr.	...	20	25	1.00
Mont. L. & Pr. Nts.	...	50	..	..
Montreal L'n	1.25+.25‡	43	..	..
Moore Corp. p. (A)	7.00	272	280	295
Do., pref. (B)	▲7.00	432	420	..
Morrison Brass	...	4	3½	5
Murphy Paint	.80	24	23½	24½
Do., pref.	5.50	105	..	..
National Trust	.90	26	26	27
Neon Prod. of W.C.	.60	12¾	12½	..
Nor. Can. Mtge.	♦.40	15	15	19¾
Nor. Trusts	■.80	18	16	20
N. S. L. & Pr. pf.	6.00	107½	108½	112
Nuclear Ent.	...	12½	..	..
Ontario Loan	5.00	116½	117	..
Ont. Steel pf.	2.00	120	123½	..
Pacific Coyle	†.03	39	37	40
Pantepec Oil	■▲.64	14	10	..
Paton Mfg.	.80	30	29	30
Penmans	3.00	70	60	73
Do., pref.	6.00	150	..	..
People's Cr. Sec.	■.25	6	6	7
Photo Eng.	1.00	25	25	26
Price Bros. pf.	4.00	101½	101½	..
Que. Pulp & Pap.	...	125½	..	..
Regent Knit pf.	.60	23	25	26
Reliance Grain	...	26	25½	26
River S. Mill (B)	■2.00	19½	19½	20
Rolland Pap.	.60	15	13	15
Do., pref.	4.50	103	102½	103½
Russell Indust. pf.	7.00	605	..	..
Saguenay Pr. p.	4.25	105½	105½	106

Stocks Not Traded This Week (Continued)

Sarnia Br.	.50+.10■	12½	10	11½
Scythes & Co. pf.	1.25	27½	28	29
Silknit	...	18	17	19
Do., scripts	♦1.00	18	..	..
Silverwoods W.D.	■.55	13	..	..
Do., pref.	5.00	100½	100	..
Simon & Sons	1.20	28	27	28
Slater, N.	1.20	32	31	32
St. Law. Flour	1.80	35	33½	35
Do., rights	...	3	..	..
Stanley Brock	.60	10¾	10¾	10¾
Stand. Clay	...	13	..	..
Stand. Radio	.40	6½	6½	6½
Stan. Brock (A)	.60	10¾	10¾	10¾
Sterling Trust	5.00	113	111	114½
Stop & Shop	...	1½	1	1½
Stowell (A) pref.	1.50	27½	..	27
Do. (B)	...	9½	..	10
Stuart, D. A. p.	.80+.25‡	19	18½	19½
Sup. Pete. com.	...	27½	..	..
Thayers	...	7½	6	10
Do., pref.	♦2.50	41	35	45
Theatre Props.	...	.4	4	5
Thrift Stores	...	17	16½	17½
Tip Top Tailors	.30	18	18	21
Tooke Bros.	♦.40	41	40	..
Toronto Iron (B)	...	11¾	..	12
Tor. Mortgage	5.00	111	115	120
Traders Bldg.	4+1‡	75	..	..
Traders Fin. (A)	1.00	34	33	40
Do. (B)	1.00	34	33	..
Do. (A) rights	1.00	21½	21½	24
Do. (B) rights	1.00	21	21½	..
Un. Amuse. (B)	■1.00	30	..	..
Valu Bisc.	.15	20	20	20½
Do., pref.	5.00	100	100	103
W'minster Pap.	.30	20	16½	16¾
Willson Stat.	...	7½	6	8
Do., pref.	5.00	101½	100	105
Wood, A. & J. p.	7.00	125	125	135
Woods Mfg. pf.	2.00	53	..	..
York Knit. 1 pf.	7.00	175	150	..
Zellers 5% pf.	1.25	27	26½	27½

*Paid in 1945. ■Paid in 1946. ‡Extra.
xOn arrears. †Paid in 1944. ▲N. Y. funds. ♦Paid or payable in 1947.
● Dividend Deferred.

Mining Stocks

Bear Lake	...	.01	..	..
Bobs Lake	...	.20	..	.18
Bouzon	...	.05	.06	..
Brazil Gold	...	.03½	.05	.08
Bruce Cons.	...	.01	..	.04
Celta Devel.	...	.03	.07	..
Cent. Manitoba	...	.06	.06	.08
Cryderman	...	.02½	.02½	.03
Douglas L.	...	.10	..	..
Golconda	...	.18	.17	..
Goodfish	...	.05	.04	.07
Graham B.	...	.10	.11	.14
Grandoro	...	.12	.13	.17½
Grandview	♦.01	.23½	.20	.30
Great Falls M.	...	.02	.02	.04
Hallnor Mines	‡.36	5.00	5.00	5.30
Int. Mining	...	10.00	..	..
Island Lake	...	.01	..	.01½
Jacola	...	.03½	.03½	.04½
Knee Lake	...	.02½	..	.05
La Luz	†.22	4.25	4.15	4.30
Lebel Oro	...	.03	.03½	.04
McGillivray C.	...	.19	.18	.20
McLellan Gold	...	.06	.04	.05
Mentor Explor.	...	1.25	1.20	2.50
Normandy	...	.03	.02½	.04
North. Empire	♦.10	1.25	1.80	..
Packsack	...	.02½	.02	.03
Prospectors Air's	...	.35	.41	.37
Quebec Gold	...	.90	.85	1.00
Rice Lake	...	.02	.01	.03
Ryanor	...	.12	.12½	.13
Silbak Prem.	♦	.98	.90	1.00
Silver Ridge	...	.22	..	.30
S. American G.	‡*.20	1.10	..	..
Squaw Lake	...	.02	..	..
Standard G.	...	.17	.16	.17
Star Lake	...	.02	..	.01½
Tiblemont	...	.15	..	.25
Yukon Cons.	...	1.35	1.25	1.45
Oil Stocks:				
Advance	...	.01	..	..
Ajax	...	2.02	..	..
Arrow	...	.05	..	..
Federated P.	...	.25	.15	..
Grease Creek	...	.03	.03	.03½
Jumping Pound	...	.18	..	..
Kitalto	...	.13	..	..
Madison	...	.01½	.01½	.03
Mar Jon	...	.09½	..	..
Marvel	...	.01½	.03	.04
Merland	...	.01½	..	..
Mill City	...	.05½	.05	.06
New Ranch	...	.02	..	..
Nordon	...	.16	.13	.19
Oil Selections	...	.04½	.04½	.05
Petrol Oil & Gas	...	.07	.14	..
Richfield	...	.01½	.01	..
Richland	...	.04½	..	..
Royal Crest	...	.03½	.02½	..
Share Roy.	†.01	.03	.03	.04
So. Brazeau	...	.04	..	..
South End	...	.10	..	..
Spooner	...	.07½	.07½	..
Three Point	...	.02½	.01	..
Vulcan	...	.18	.18	.25
Warner	...	.00½	..	.03
Wellington	...	.01	.01	..

♦Paid or payable in 1947.
‡Paid in 1946. *N. Y. funds.
†Paid in 1943.
●Dividend deferred.

BUSINESS THIS WEEK

	DEC.	NOV.	OCT.	SEPT.	Year Ago
GOVERNMENT FINANCE (millions of $)					
aDom. total revenue	264.2	216.3	237.1	196.6	150.1
aDom. total expend.	177.0	204.3	177.4	229.3	244.0
MERCHANDISING					
aDept. store sales index no. (1)	325.1	304.4	254.7	239.2	279.5
Retail sales index (no.)	....	245.7	227.1	207.7	213.3
Country store (% change pr. yr.)	....	+10.6	+7.1	+7.6	....
Wholesale sales index (no.)	....	257.4	276.8	259.5	221.5
FINANCE					
Dividend payment index (5)	....	148.2	147.8	148.0	140.1
Bank debits (1)	....	....	210.3	225.4	191.5
Money supply (millions $)	....	....	7,416	7,232	6,726
NEWSPRINT CAPACITY					
Production ratio	98.8	101.2	100.7	99.3	79.6
Shipment ratio	103.6	108.7	103.6	101.1	82.0
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.) index	176.8	161.5	146.9	149.3	177.4
Cars (D.B.S.) index	155.3	150.0	140.7	129.2	143.2
COST OF LIVING					
D.B.S. index	127.1	127.1	126.8	125.5	120.1
EMPLOYMENT INDEX, D.B.S.					
All industries	....	181.9	178.1	175.5	171.2
Manufacturing	....	191.8	188.4	187.2	186.3
Payrolls (June 1/41=100) (2)	....	154.0	150.1	145.9	139.2

	1946-7	1945-6	Jan. 1 to date 1946-7	1945-6	Change %
RAILWAYS—(000's omitted)					
aCarloadings (week Jan. 18)	71.9	67.9	193.8	181.4	+6.7
aC.P.R. gross rev. (Jan. 21)	5,356	5,327	14,369	14,992	—4.1
C.N.R. gross rev. (Nov.)	37,128	34,306	364,775	398,257	—8.5
C.N.R. net rev. (Nov.)	5,661	5,334	40,246	72,833	—44.6
C.P.R. gross rev. (Nov.)	26,264	25,764	267,548	291,090	—8.1
C.P.R. net rev. (Nov.)	3,746	2,324	17,723	32,827	—46.1
IRON AND STEEL (000's omitted) (Nov.)					
Pig iron production (tons)	135.3	134.7	1,242.3	1,642.7	—24.4
Steel production (tons)	222.6	208.0	2,097.3	2,682.0	—21.4
CONSTRUCTION (000's omitted)					
Contracts awarded (Nov.)	48,004	44,998	626,821	383,246	+63.6
Building permits (Nov.) $	23,787	18,284	358,411	181,867	+97.7
Cement prod., bbls. (Oct.)	1,191.8	1,102.7	10,104.9	7,473.6	+36.6
AGRICULTURE (000's omitted)					
Flour prod., bbls. (Nov.)	2,519	2,285	35,775	33,255	+7.6
Flour exp., bbls. (Nov.)	1,368	1,000	14,263	12,765	+11.8
Wheat exp., bush. (Nov.)	16,852	38,316	143,289	291,574	—50.8
Cattle sales (Dec.) (4)	172.1	202.3	1,889.1	2,017.3	—6.6
Hog sales (Dec.) (4)	404.5	464.2	4,460.7	5,862.1	—23.9
SEA FISHERIES (000's omitted)					
aCatch, cwt. (Nov.)	1,057	969	11,101	11,523	—3.8
aLanded value (Nov.) $	2,439	2,362	40,489	47,996	—15.6
NEWSPRINT (000's omitted)					
Production (Dec.)	342	277	4,143	3,259	+27.1
Exports, tons (Dec.)	340	263	4,136	3,235	+27.8
MINING AND OILS (000's omitted)					
Coal prod., tons (Oct.)	1,625	1,427	14,601	13,161	+10.9
Gold prod. (fine oz.) (Oct.)	241	230	2,370	2,191	+8.1
Petroleum prod. (brl.) (Oct.)	639	625	6,393	7,171	—10.9
ELECTRICAL POWER OUTPUT (000,000 omitted) (Nov.)					
Total monthly kw.h.	3,567	3,237	37,932	36,812	+3.0
FOREIGN TRADE (millions of $)					
aImports (Nov.)	198.2	142.4	1,745.4	1,464.6	+19.2
Exports (Nov.)	232.2	238.6	2,100.3	2,983.5	—29.3
FINANCE (millions of $)					
Bank debits (Nov.)	6,211	8,581	63,332	62,300	+1.6
Bond sales (Dec.)	219.5	196.3	5,881.0	8,125.1	—30.1
Life insurance sales (Nov.)	110.5	91.5	110.5	92.0	+20.1
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
aShoe prod. pr. (Nov.)	3.6	3.7	40.1	35.7	+12.3
Cigarette cons. (no.) (Dec.)	1,221	1,166	14,866	15,265	—2.7

(1) Base period 1935-39=100.
(2) All industries.
aNew items for week.
(4) Total at yards and plants.
(5) Nesbitt, Thomson, ets.
(6) d—deficit.

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Jan. 28, 1947

%	Due	Bid	Ask.
Victory Loans:			
3	June 1951 ...	105½	105⅞
3	Mar. 1954 ...	105½	106⅛
3	Nov. 1956 ...	105½	106¼
3	May 1957 ...	104½	105¼
3	Jan. 1959 ...	104¼	105¼
3	June 1960 ...	104⅜	105¼
3	Feb. 1962 ...	104⅜	105¼
2¾	Mar. 1948 ...	101	101¼
1½	May 1947 ...	100	100⅛
1½	Mar. 1948 ...	100⅜	102
1½	Nov. 1948 ...	100⅜	101
1½	Nov. 1950 ...	100¼	101¼
3	Oct. 1963 ...	104⅜	105¼
3	Sept. 1966 ...	104⅜	105¼
1½	Nov. 1949 ...	100¼	101
Dom. of Canada Bonds			
3½	Nov. 1951 ...	102⅞	103¼
4	Oct. 1952 ...	102	102¼
3½	Feb. 1952 ...	104⅜	105¼
3	Oct. 1952 ...	103⅜	103⅞
3	June 1955 ...	103	104⅜
4½	Nov. 1957 ...	102⅜	103
3	June 1958 ...	104¼	105
4½	Nov. 1958 ...	105	105¼
4½	Nov. 1959 ...	107¼	107⅞
3¼	June 1966 ...	105⅛	106⅛
3	Perpetual ...	103⅜	104⅜
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959 ...	103⅜	104⅜
4½	Sept. 1951 ..	*111¼	*113
4½	Feb. 1956 ..	*117½	*118¼
4½	July 1957 ..	*118¼	*120
3	Feb. 1953 ...	101¼	102¼
4½	June 1955 ..	*118¼	*120
5	Feb. 1954 ...	117¼	118⅜
5	Feb. 1970 ..	*113¼	*115
5	Oct. 1969 ..	*112⅜	*114¼

%	Due	Bid	Ask.
Can. Natl. W. Ind. S.S.:			
5	Mar. 1955 ..	*118⅜	*120¼
Grand Trunk Pacific Rly.:			
3	Jan. 1962 ..	*105¼	*107¼
4	Jan. 1962 ..	*116	*118¼
Montreal Harbour Com.			
5	Nov. 1969 ..	*112⅜	*114¼
Provincial Govt. Bonds			
New Brunswick:			
3½	Aug. 1949 ...	100¼	101⅞
3½	June 1956 ...	103¼	104⅜
4½	Apr. 1961 ...	119⅜	122⅜
5	Jan. 1960 ...	122¼	126⅜
2¾	June 1966 ...	98	100
Nova Scotia:			
3	Jan. 1952 ...	103⅜	105¼
3½	June 1956 ...	104⅜	106¼
3½	Nov. 1950 ...	105¼	107
4½	Sept. 1952 ...	102⅜	105⅜
4½	Nov. 1960 ...	121⅜	124⅜
5	Mar. 1960 ...	127	130
3	June 1958 ...	102¼	104
Ontario:			
3	Nov. 1950 ...	100⅜	102¼
3½	Nov. 1951 ...	103⅜	105¼
3½	May 1955 ...	106	107½
4	June 1962 ...	119	121
4½	June 1950 ...	108¼	110
4½	Jan. 1962 ...	124	126¼
5	Oct. 1943 ...	105	106¼
5	Dec. 1960 ...	130	133
2¾	July 1976 ...	100	101¼
Ont. Hydro Commission:			
3½	Feb. 1953 ...	104	105¼
4	Aug. 1957 ...	114⅜	117⅜
2¾	June 1971 ...	100	101¼

%	Due	Bid	Ask.
Prince Edward Island:			
4	Mar. 1964 ...	101	103¼
Quebec:			
3½	Mar. 1948 ...	101¼	102¼
3½	Mar. 1959 ...	105	106¼
4	Nov. 1952 ...	106⅜	108¼
3½	Feb. 1955 ...	106⅜	108¼
4½	Aug. 1958 ...	114¼	116
4½	Jan. 1963 ...	120¼	122
3	Feb. 1962 ...	103¼	105
Alberta:			
3½	June 1964 ...	101	103¼
3½	June 1959 ...	102	105
3½	June 1972 ...	101¼	104
British Columbia:			
4	Dec. 1957 ...	112	115
4½	Jan. 1951 ...	108¼	111¼
4½	Oct. 1953 ...	112¼	115¼
5	Apr. 1954 ...	116¼	119¼
2¾	Apr. 1966 ...	98⅜	100⅜
5	Sept. 1953 ...	113	115
Manitoba:			
4	Dec. 1957 ...	112	115
4½	Dec. 1956 ...	115¼	118¼
5	Dec. 1959 ...	123	125
5½	Oct. 1955 ...	119	121
Saskatchewan:			
4	Sept. 1954 ...	100⅜	103¼
4	Nov. 1960 ...	103⅛	105¼
4½	Oct. 1951 ...	106¼	108⅜
4½	Mar. 1960 ...	110¼	112⅜
5	Aug. 1958 ...	113¼	115⅜
5	Dec. 1959 ...	115¼	117⅜
5½	Oct. 1951 ...	109¼	111⅜
6	Mar. 1952 ...	110¼	113

*N. Y. funds.

Unlisted Stocks

(Compiled from quotations supplied by Plaxton, McDonnell & Co., Kamm, Garland & Co. and Kippen & Co.)

Jan. 27, 1947

	Bid	Ask
Aikenhead Hardware Co.	75.00	80.00
Allens Kingston units	74.00	....
Allens London Theatre pf.	54.00	....
Allens St. Catharines units	60.00	....
Allens Toronto units	39.00	....
Anglo Can. Telephone A	11.25	12.25
Beach Foundry pfd.	85.00	....
Brinton Peterboro Carpet	90.00	....
British American Assur.	61.00	....
British Mortgage and Trust	165.00	....
B. C. Sugar	91.50	....
B. C. Telephone 1st pfd.	116.00	....
Brockville Trust $50 par	57.00	....
Canada Tea pfd.	75.00	....
Canadian Airways	....	4.00
Can. Co-op. Woolgrowers	8.00	10.00
Canadian Fire	90.00	....
Canadian Indemnity	165.00	....
Can. Ingersoll Rand	62.00	65.00
Can. Investors Corp.	7.50	8.50
Canadian Motor Lamp, A	12.00	13.00
Can. Silk Products A	30.00	32.50
Can. West. Nat. Gas com.	40.00	....
Can. West. Nat. Gas pfd.	106.00	....
Capital Trust Co. $100 par	78.00	....
Capital Wire Cloth com.	10.00	....
Capital Wire Cloth pfd.	23.00	....
Cawthra Apts. units	4.50	....
Chase A. W. units	36.00	....
Colonial Realty com.	7.00	....
Colonial Steamships com.	75.00	....
Commercial Finance, com.	12.00	14.00
Commercial Life 10% paid	7.00	10.00
Commonw'lth. Inter. Corp.	3.56	3.91
Confed. L. Assoc., 30% pd.	150.00	....
Continental Life 30% paid	40.00	....
Cooksville com.	6.00	....
Cooksville 1st pfd.	75.00	....
Cooksville 2nd pfd.	35.00	....
Crown Life Ins. 100% paid	310.00	....
Debenture & Securities pfd	98.00	....
Detroit Inter. Bridge new.	13.00	14.50
Dom. Can. Gen. Insurance	200.00	....
Dominion Life Assurance	200.00	....
Dover Industries Ltd.	13.00	14.00
Dunlop Tire pfd.	25.50	27.50
Edmonton Stock Yards un.	68.00	....
Empire Life Ins., 25% pd.	17.00	19.00
Excelsior Life Ins. 40%	100.00	....
Fed. Found. & Stl. new c.	1.80	2.25
Foreign Power Sec. pfd.	12.00	14.00
Galt Brass com.	28.00	....
Goderich Elec. & Trans.	15.50	17.00
Great Lakes Pwr. pfd.	114.00	117.00
Great West Life	400.00	420.00
Guardian Realty pfd.	37.00	....
Guaranty Co. of N. Amer.	380.00	....
Guelph and Ont. Svgs. $50	57.00	....
Gurney Foundry pfd.	3.50	4.00
Hart Battery com.	9.00	10.00
Highland Dairy pfd.	58.00	....
Homewood Sanitarium	115.00	....

	Bid	Ask
Hudsons Bay ord.	22.00	26.00
Imperial Life	335.00	....
Industrial Mtge. Trust $50	64.00	....
Ingram & Bell pfd.	99.00	....
Interprovinc'l Brick A pfd	35.00	....
Interprovinc'l Brick B pfd	14.00	....
Lambton Loan & Inv. $50	70.00	80.00
Laprairie com.	5.00	....
Laprairie pfd.	64.00	....
Loblaw Groc. Inc.	19.00	21.00
London & West. Trust $100	165.00	175.00
Manufacturers Life Ins.	300.00	330.00
Midland Loan & Svgs. $10	19.00	....
Moirs Limited pfd.	132.00	....
Monarch Life Assoc. 30% paid	90.00	....
Monarch Mtge. units	3.75	5.00
Montreal Island Power pf.	30.00	....
Montreal Trust Co.	93.00	....
Morrow Screw com.	16.00	....
Morrow Screw pfd.	100.00	....
National Drug & Chem., com., new	8.75	9.50
National Drug & Chem., pfd., new	13.25	14.00
National Drug & Chem., com., old	10.00	11.00
National Life Assce. 25%	67.00	77.00
Neilson, Wm., com.	13.00	....
Neilson, Wm., pfd.	103.00	....
New Brunswick Telephone	13.00	15.00
New Method Laundry un.	98.00	....
North Amer. Elev. 1st pfd.	75.00	....
Ont. Tobacco Plant units	50.00	....
Paramount Kitchener units	55.00	....
Paramount Oshawa pfd.	87.00	....
Peller Brewing com.	6.50	7.50
Provincial Bank of Can.	15.25	15.75
Prudential Trust	9.00	10.50
Ritchie Cut Stone pfd.	3.00	....
Ruddy, E. L. pfd.	150.00	....
Sawyer Massey com.	1.50	2.25
Seiberling Rubber com.	14.00	16.00
Sincennes McNaught. Tugs	2.25	3.25
Sherbrooke Trust	135.00	....
Sovereign Life Assce. 25%	36.00	....
Standard Fuel 4% pfd.	48.00	50.00
Standard Fuel com.	3.00	5.00
Sun Life Assce.	465.00	500.00
Third Can. Gen. Inv.	3.70	4.30
Toronto Carpet pfd.	96.00	....
Toronto General Ins.	6.00	7.50
United Farmers Co-op.	3.00	4.00
United Steel A pfd.	25.50	27.50
University Tower	6.50	7.50
Victoria Trust & Svgs.	124.00	....
Waterloo Mfg. com.	8.00	9.00
Waterloo Trust & Svgs.	124.00	....
Western Assurance com.	64.00	67.00
Western Assurance pfd.	41.00	....
Western Grain com.	1.75	2.50
Western Grain pfd.	36.00	38.00
York Trading com.	8.50	10.00

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 8	Milling 4	Oils 4	Textiles and clothing 9	Food and allied prod. 13	Beverages 8	Bldg. mater. 16	Power and traction 14	Banks 8	Total utilities 18	Total co's 100
(Base 1935-39=100)												
*1935 to date:												
High	210.2	287.9	149.7	123.7	214.4	138.5	447.0	168.5	146.2	136.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1946: Monthly Figures:												
Jan.	168.2	252.6	130.6	90.0	183.7	127.8	357.6	149.0	125.7	121.6	148.6	123.5
Feb.	172.9	248.5	132.1	84.8	187.8	130.3	334.0	150.5	122.7	126.8	146.0	121.8
Mar.	189.2	244.4	130.6	81.6	186.8	129.0	327.8	148.6	121.7	129.2	142.4	119.2
Apr.	207.0	177.3	141.4	84.6	200.2	134.6	353.8	160.6	124.8	133.6	145.4	125.1
May	205.7	278.3	140.8	74.7	208.3	136.6	410.6	164.0	117.8	134.2	140.7	124.4
June	202.1	282.5	141.7	73.1	210.3	136.4	410.3	167.0	110.0	135.0	138.4	123.3
July	190.0	266.1	140.0	71.2	206.4	134.0	430.2	157.3	109.8	135.3	132.2	119.1
Aug.	187.6	268.6	139.4	70.8	207.9	129.9	430.5	154.1	109.9	132.3	130.3	116.9
Sept.	162.7	229.4	122.6	64.9	190.5	123.7	349.2	137.1	103.7	124.1	118.8	104.4
Oct.	166.0	233.3	123.0	63.2	182.1	122.8	320.9	133.9	103.8	124.7	114.1	101.8
Nov.	173.7	235.1	122.7	63.1	180.7	121.0	314.3	134.9	107.5	129.8	115.2	102.5
1946: Weekly Figures:												
Dec. 5	171.5	241.5	124.5	63.8	180.7	118.0	308.9	136.9	110.3	131.9	116.3	103.8
Dec. 12	175.2	244.9	123.4	64.1	180.1	123.7	321.0	137.3	110.0	133.5	119.2	106.2
Dec. 19	186.4	254.2	124.5	63.7	182.3	126.6	319.2	139.3	110.7	134.7	119.8	108.1
Dec. 26	186.0	255.5	123.6	63.5	183.0	124.2	325.0	139.4	110.4	134.2	118.2	107.4
1947: Weekly Figures:												
Jan. 2	181.8	254.1	123.6	62.8	182.9	124.0	311.6	139.9	110.1	133.3	118.2	106.6
Jan. 9	181.8	256.5	126.4	64.0	183.6	125.0	311.0	142.4	110.9	134.2	119.8	107.7
Jan. 16	178.1	248.3	123.5	62.7	180.3	123.9	295.9	140.2	107.0	132.9	115.7	104.3
Jan. 23	178.7	252.5	123.5	62.9	183.8	122.3	306.1	142.7	107.4	132.8	116.9	106.0

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Jan. 27	177.61	110.83	87.91	22.65
Jan. 25	.....	.....	.....	.....
Jan. 24	178.57	113.19	89.04	22.78
Jan. 23	177.26	110.43	87.59	22.61
Jan. 22	176.40	108.20	87.58	22.53
Jan. 21	175.40	107.85	86.70	22.75
Month ago	178.83	103.13	86.24	20.90
Year ago	186.94	141.84	103.30	33.04
1946-47 High	207.83	147.31	108.20	33.69
1946-47 Low	167.06	91.36	76.13	20.12

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	20 Comb.	10 Pprs.	15 Golds
Jan. 27	75.5	125.2	108.6	337.69	73.21
Jan. 25	...	....	....	.....	.....
Jan. 24	75.3	124.4	108.1	339.44	72.76
Jan. 23	75.9	124.3	108.1	343.24	71.08
Jan. 22	75.6	123.8	107.8	340.33	70.58
Jan. 21	75.2	123.3	107.3	337.12	70.66
Month ago	75.4	125.5	108.8	351.06	69.91
Year ago	78.4	134.4	115.7	330.25	112.92
1946-47 H.	83.9	149.4	126.7	410.80	118.56
1946-47 L.	71.3	115.7	101.0	280.76	68.83

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Jan. 27	177.28	49.46	36.36	63.96
Jan. 25	173.35	49.22	36.42	63.47
Jan. 24	175.49	49.39	36.68	63.62
Jan. 23	175.13	49.16	36.66	63.46
Jan. 22	173.77	48.51	36.39	62.89

	30 Indust.	20 Rails	15 Util.	65 Stocks
Jan. 21	173.51	48.31	36.28	62.74
Month ago	176.23	51.07	37.10	64.42
Year ago	204.62	67.83	41.57	77.14
1946-47 High	212.50	68.31	43.74	79.44
1946-47 Low	164.20	45.69	33.47	59.64

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Jan. 28, 1947

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
ΔAlg. Cen.H.B.R.	5	'59	70	73	64½
†Asso. Tel. & T.	5½	'55	104¼	...	105¼
B. C. Elec.	3½	'67	100¼	102¼	100¼
†Calgary Pwr.	5	'60	102¼	...	105
ΔDo.	5	'64	103¼	...	103¼
ΔGatineau Pr. A	3½	'70	103¼	105¼	103¼
*Do., B	3	'70	102¼	...	104¼
Gt. Lakes Pwr.	4½	'56	101¼	104	101¼
Do.	5	'57	101¼	104	101¼
*Int. Hydro-El.	6	'44	101	103¼	101¼
L. St. Law. Pr.	3½	'65	102¼	105	102¼
Mtl. L. H. & Pr.	3½	'56	102	104	102¼
Do.	3½	'63	102	104	102¼
Do.	3½	'73	100	102	100¼
†Mtl. Tramways	5	'51	102	...	104¼
†Mtl. Tramways	5	'55	101	103¼	101
†Do.	5	'55	101	103¼	101
Nat. Lt. & Pwr.	4½	'61	102	104¼	102
Otta. L. H. & P.	4	'57	101¼	103⅜	101¼
†Power Corp.	4½	'59	104¼	...	106¼
Quebec Pwr.	3	'62	100	102	100
St. Maurice Pr.	3½	'70	100¼	102¼	100¼
Shaw. W. & Pr.	3	'71	100	102	100
Do.	4	'69	104	106¼	104
Union Gas	4½	'50	101	103¼	101
†United Secs.	3	'52	99¼	102	99¼
Wpg. El.	3½	'71	102¼	104¼	102¼
Industrial and Realty Issues:					
†Abitibi Pr. P.	5	'65	100	102	102
Acadia-Atlantic Sugar	3½	'65	103	105¼	103
Algoma Steel	5	'48	100¼	103	100¼
Aluminum Co.	3½	'74	105	107¼	105
†B. C. Pulp & P.	6	'50	100¼	...	102¼
†Do.	7	'50	100	102¼	100
Brown Co.	5	'59	101	103¼	101¼
Burns & Co.	4	'63	100¼	103	100¼
Can. Celanese	3½	'59	101¼	104¼	102
Can. Electric	4½	'65	101	104	101¼
Can. Steamship	3½	'57	101¼	103¼	101¼
Can. W. Lum.	4	'62	101¼	104	102
C. P. R.	3½	'51	103¼	...	103¼
Do.	4	'49	104¼	...	104¼
C. P. R.	4	Perp.	106	...	106¼
Consol. Paper	3½	'67	100¼	102¼	101
Dom. Coal	4½	'52	100¼	103	100¼
Dom. Scot. Inv.	3	'64	97	...	97
Dom. T. & Ch.	3½	'57	102¼	...	103
Dom. Textile	3½	'59	104¼	...	105
Dom. Woollens	5	'64	102¼	105	102¼
†Donnacona P.	4½	'56	99¼	102	102
Dryden Pap.	4	'61	101¼	104	101¼
†Federal Grain	4	'64	102¼	104¼	102¼
Gurney Fdry.	5½	'49	103¼	...	104
Ham. Cotton	3½	'59	100¼	103	100¼
Imp. Tobacco	2¾	'66	100	102¼	100
Inter-City Bak.	5½	'48	99¼	102	99¼
Indust. Accept.	3½	'66	100¼	103	100¼
Ins. Ex. Bldg.	5	'51	99	...	99
Bowater's Nfld. P. & P.	3½	'68	101	103	101
*Inv. Bd. & Sh.	5	'47	96¼	99¼	95
Lake St. J. P.	5	'61	101¼	104	101¼
Do.	5	'61	101	103¼	101
Legare	6	'61	100¼	103	100
MacMillan (H.R.) Export	4	'65	102	104¼	102
Maple L. M.	3½	'63	102¼	104¼	102¼
Massey-Harris	3	'66	99	101¼	99
McColl-Fron.	3	'71	99¼	101¼	99¼
McCormicks	4	'52	101	...	101
Mercury Mills	4	'59	101	103	100¼
Moirs Ltd.	6	'53	99¼	...	100
Montreal Apts.	4	'54	97	100	96¼
N. S. Stl. Coal	3½	'63	99	102	99
Price Bros.	3½	'66	102¼	104¼	102¼
Silv. Dairies	4	'60-64	101¼	104	101¼
Do.	4	'71	99¼	102	99¼
Simpsons, Ltd.	3½	'60	103	...	103
Toronto Elevat.	3½	'66	101¼	...	101¼
United Corp.	4	'58	101	...	100¼
†Western Grain	5	'63	96¼	99¼	97
York Kt. Mills	3½	'71	99¼	102¼	99¼

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
*Payable in U. S.
ΔPayable in Canada only.
ΔPayable in Can. or U. K.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$13.45	$13.20	$11.67
Hogs	21.97	22.03	18.85
Copper, lb.	.19½	.19½	.12
Sugar, raw, lb.	.0820	.0594	.04205
Coffee, lb.	.27⅜	.27½	.08⅜
Hides	.22	.22½	.15½
Weekly Indices			
U. S. Labor	140.8	140.0	106.7
Dow Jones	118.06	117.56	106.5
Fishers	151.6	152.3	116.8
Monthly Indices			
Retail (Dec.)	127.1	127.1	120.1
W'sale (Nov.)	111.4	110.8	103.9
U. S. (Nov.)	139.6	134.1	106.8
Gt. Brit. (Oct.)	175.1	174.9	167.3

Note:—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lb., top York. Coffee No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Record of Financing

Sales by Municipalities, Provincial and Dominion Governments, Offerings of Corporations and Foreign Securities

MUNICIPAL

Town of Belleterre, P.Q.—3%, due Mar. 1, 1958 and 1959, $10,000, issued Jan. 7, 1947, at $100. Sold to Belleterre Quebec Mines.

Town of Coaticook, P.Q. — 2½% and 3¼%, due Oct. 1, 1947-66, $103,000, issued Jan. 4, 1947, at $100.30, cost basis 2.6247%. Sold to Gairdner & Co.

City of Nelson, B.C.—2½%, due July 15, 1948-62, $290,000, issued Jan. 14, 1947. Sold privately by McMahon & Burns.

Cornwall R. C. Schools—3% and 3¼%, due Feb. 15, 1948-57, and 1958-67, $182,000, issued Jan. 14, 1947, at $99.50, to yield 3.28%. Offered by Harrison & Co.

CORPORATE

Quebec Hydro - Electric Commission — 1½% to 3%, series D, 1 to 26 year serial debentures, due Feb. 15, 1948 to Feb. 15, 1973, $42,000,000, dated Feb. 15, 1947, at $100 and accrued interest. Sold to L. G. Beaubien & Co.; A. E. Ames & Co.; Royal Securities Corp.; Wood, Gundy Corp.; Nesbitt Thompson & Co.; Dominion Securities Corp.; Mills, Spence & Co.; W. C. Pitfield & Co.; McLeod, Young, Weir & Co.; Greenshields & Co.; Bell, Gouinlock & Co.; Gairdner & Co.; Collier, Norris & Quinlan; J. C. Boulet; McTaggart, Hannaford, Birks & Gordon; Clement, Guimont Inc.; Savard, Hodgson & Co.; La Corporation de Prêts de Quebec; René-T. Leclerc; J. E. Laflamme; Harrison & Co.; Lagueux & Des Rochers; Mead & Co.; Desjardins, Couture; Cochran, Murray & Co.; Midland Securities; Société General de Finance; Credit Interprovincial; MacTier & Co.; Oscar Dubé & Cie; Bartlett, Cayley & Co.; Hamel, Fugere & Cie; Geoffrion, Robert & Gelinas; Garneau, Boulanger.

PREFERRED STOCKS

Ingersoll Machine & Tool—$350,000, 4% cumulative redeemable sinking fund preferred shares (par value $100 per share). Offered at $100 per share, to yield 4%, by McLeod, Young, Weir & Co.

COMMON STOCKS

Ingersoll Machine & Tool—81,640 class A shares (no par value). Cumulative 50c. preferential dividend, noncallable, participating stock. Offered at $10 per share, to yield 5%, by McLeod, Young, Weir & Co.

Investment Trusts

	Bid	Asked
Affiliated Funds	4.56	4.99
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	4.60	5.10
Can. Inv. Corp.	7.50	8.50
Commonwealth Int.	3.58	3.93
Corporate Inv.	9.17	9.85
Trans-Canada (A)	13.60	...
Do., (B)	...	12.90

Municipal Bonds

Jan. 28, 1947

	%	Due	Bid	Ask.	Yld. %
Halifax	3½	1965	104¼	105¾	3.08
Hamilton	5	1950	108¼	109¾	1.95
Montreal	3	1966	99	100½	2.97
Ottawa	3	1953	105¼	106¾	1.90
Quebec	3	1964	98	100	3.00
†Vancouver	5	1970	132	134	2.95
†Quebec	5	1959	118	121	2.97
Saint John	4	1950	104	106	2.42
†Toronto	4½	1955	115	118	2.05
Winnipeg	6	1950	111	113	2.05

†Payable Canada and New York.

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Market Comment

Canadian industrials gave a rather disappointing display this week in face of New York's decidedly strong tone. A noticeable betterment in labor-management relations in key U. S. industries highlighted the market news of the week. The improvement is being reflected in demand for motor and steel shares, which in recent weeks have assumed a barometric value for the entire market trend.

Agreement by United States Steel Corp. and the CIO to extend present contracts, expiring Feb. 15, to April 30, was accompanied by conciliatory statements from both sides. While many investors feel this is only a postponing of the inevitable, others believe that between now and April, Congress will have had time to enact salutary labor legislation, including possible outlawing of portal-to-portal pay suits.

By early mid-week a majority of the gold issues, particularly the larger producers, had managed to retain the greater part of last week's rise. Most issues, however, had eased back somewhat from their highs on technical reaction and some sober discounting of recent optimistic reports on the form the Government relief to the industry will take. Individual stocks, such as Louvicourt, reported to have cut a new 62 ft. wide ore body at the 225 ft. level, and Consolidated Beattie, said changing its management, were strong specialties.

* * *

Barron's The Trader (New York) "Almost exactly eight months have elapsed since stock prices reached a peak at the end of last May and, as yet, there are no signs of an engulfing business depression. Eight months is about as far ahead as old-fashioned stock markets were ever able to discount, and it is questionable whether present day markets possess that traditional discounting function. As orthodox bear markets normally run only from 12 to 18 months, some convincing evidence must begin to develop by early spring to sustain the thesis of the inevitability of further serious liquidation. Therefore the longer the market holds its own and the duller it is, the better appear its long-term prospects."

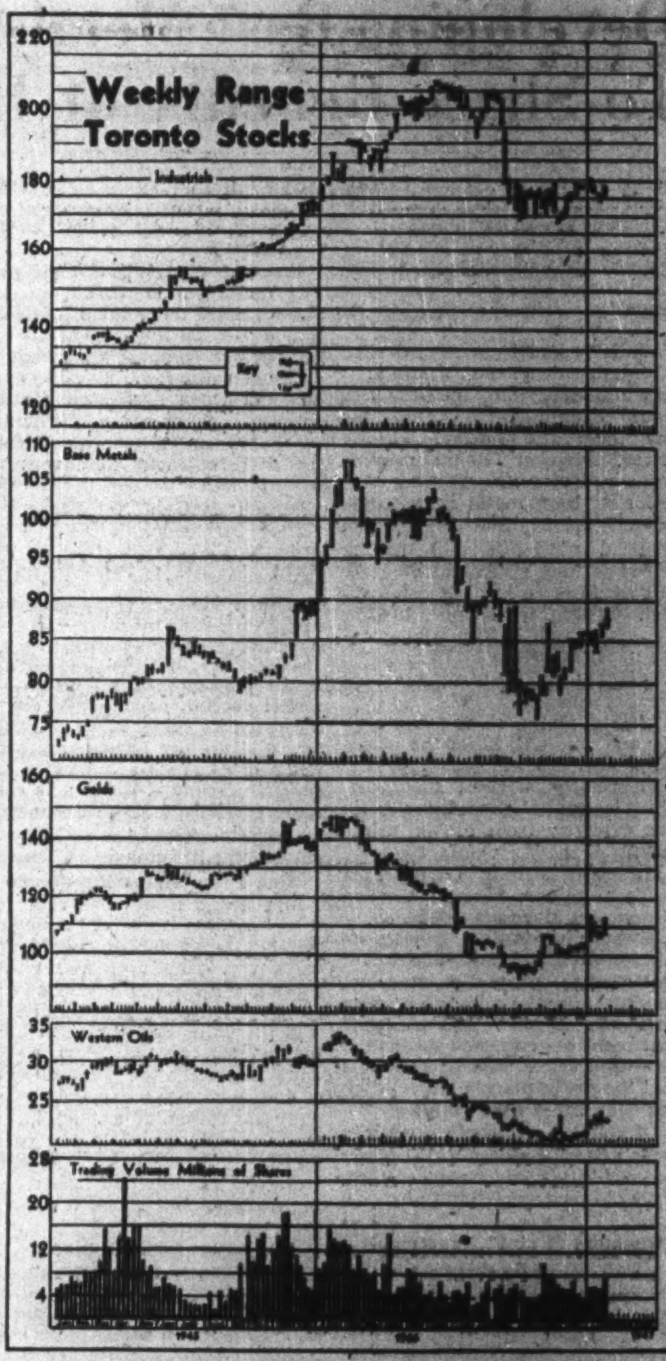
* * *

Barron's: The Dow Theorist (New York) "Should both averages now top their recent highs, it would be considered a resumption of the secondary uptrend in the primary bear market."

* * *

New Highs and Lows

During the week ended Jan. 27 there were 12 new highs recorded among the "general" stocks traded on Canadian stock exchanges, and four new lows. In the mining group there were five new highs and 17 new lows. One new high and no new low was recorded in the oil stocks.



GENERAL

New Highs—1946-47

Abitibi $1.50 pfd.
Abitibi $2.50 pfd.
Cons. Litho
Cons. Press
Fanny Farmer
Fleury Bissell
Gurd, Chas.
Mont. Telephone
Nat. Hosiery (B)
Tamblyn
Toronto Elevators
Virg. Dare 5% pfd.

New Lows—1946-47

Andian Nat.
B. C. Pulp & P. pf.
Foundation
Goodyear Tires

MINING

New Highs—1946-47

Cons. Cen. Cad.
Ogama-Rock.
Kirk. G. Gate
New Marlon
Norzone

New Lows—1946-47

Alta
Berwick
Castle Treth.
Chromium
Dentonia
Duvay
Glenora
High Bell
High Ridge
Homer Y'fe.
Hudson Rand
O'Leary
Orenada
Partanen
Sunloch
Surf Inlet
Winchester

OILS

New Highs—1946-47

Lowery

CANADA CEMENT CO. net profit for the year ended Nov. 30, 1946, was a little more than doubled at $2,178,523. Demand for cement was keen, and shipments were highest on record, except for 1929. Despite some delays in deliveries, practically all orders on hand had been taken care of by the end of the year.

Largest increase in demand was in Alberta and in the hope that the average consumption will improve over pre-war years, an addition is being made to producing capacity at the Exshaw, Alberta, plant (expected to be effective in 1947). An addition is also being made to the plant at Montreal East which is scheduled for operation early this year

Manufacturing costs continued to increase during the year and reached their highest point at year's end. Demand for company's product is expected to continue good in the coming year, President J. D. Johnson states.

INCOME ACCOUNT

Years Ended Nov. 30:	1946	1945
Net earnings	$7,105,449	$4,987,223
Less: Deprec.	2,225,000	1,815,000
Bond interest	333,636	372,140
Mortgage int.	13,300	15,300
Bond exp.	100,000	110,000
Inc. tax. res.Δ	3,155,000	1,688,000
Pension fund	100,000	100,000
Bond prem. & exp.	....	9,937
Net profit	2,178,523	1,080,146
Less: Pref. divd.	1,305,649	1,004,345
Pref. divd. fund	800,000	....
Surplus for period	72,874	75,801
ΔIncl. refund. EPT	10,400	171,000
Times Fixed Charges Earned:		
After deprec.	10.92	6.77
Paid (new)	0.22½	...
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$2.17	*$5.38
Incl. ref. EPT	2.18	*6.23
Paid	*4.87½	*5.00
Com.†: Excl. ref. EPT	a1.45	d0.38
Incl. ref. EPT	a1.47	d0.90
None paid.		

†After allowing full year's pref. dividends.
*Before 5 for 1 pref. stock split on Sept. 23, 1946.
ΔBefore allowing for preference dividend maintenance fund appropriation of $800,000.

CONDENSED BALANCE SHEET

As at Nov. 30:	1946	1945
Cash & govt. bds.	$1,917,997	$6,263,326
Accts. rec.	1,362,099	833,995
Inventories	1,844,446	2,139,994
Total curr. assets	5,124,479	9,237,315
Misc. assetsΔ	1,219,481	1,168,432
Fixed assets†	31,186,104	31,387,229
Total assets	37,530,057	41,792,966
Total curr. liab.	1,609,337	1,029,109
Funded debt	3,785,000	3,845,000
Misc. res.	850,000	1,612,700
Capital stock	26,480,806	26,480,806
Earned surplusΔ	a4,794,915	3,815,352
†After depr. of	28,849,703	26,624,703
ΔIncl. ref. EPT	340,671	330,271
aIncludes $800,000 pfd. divd. maintenance fund.		
Working capital	3,515,136	8,208,206

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CANADA CEMENT COMPANY LIMITED

AND SUBSIDIARY COMPANIES

Annual Report of the Board of Directors

TO THE SHAREHOLDERS:

Your Directors beg to present herewith the nineteenth Annual Statement of the affairs and financial position of your Company as at November 30, 1946.

Net Earnings, after providing for depreciation and Federal Government taxes, amounted to $2,178,522.82 as compared with $1,080,146.11 in the preceding year, or equal to $2.17 per share on the subdivided Preference Shares. Preference dividends paid during the year were at the rate of 6½% per annum.

The year 1946 was a very active one in the building industry. According to published statistical information, the dollar value of building contracts awarded was higher than in any previous year. While a good deal of this work was not finished during the year, there was an enormous amount of building completed. The demand for cement was keen throughout the year and your Company's shipments were the highest on record with the exception of the year 1929. There were some delays in making deliveries but by the end of the year practically all orders on hand had been taken care of. The territory where the largest increase in demand took place was in the Province of Alberta. In the hope that the average consumption in Alberta will improve over pre-war years, an addition is being made to the producing capacity at your Exshaw, Alberta, plant which it is expected will be effective in 1947. An addition is also being made to the plant at Montreal East which is scheduled to be in operation early in 1947.

The balance of the outstanding 4¼% bonds due in 1951 amounting to $8,500,000.00 was redeemed during the year. A new issue of $3,500,000.00 2⅛% five-year serial bonds, maturing to the extent of $700,000.00 per year for five years, was sold.

Reference is made in notes on this Balance Sheet to the subdivision of the Preference Shares of the Company, for which a Special General Meeting of Shareholders was held on Wednesday, August 21, 1946. These notes deal with this matter in some detail.

Manufacturing costs continued to increase during the year and reached their highest point at the year's end. The average production cost, therefore, for 1947 will be materially higher than the average cost for 1946. It is expected that the demand for your Company's product in the coming year will be very good. There is a great deal of new building projected and the demand for building materials should keep the industry busy.

Your Company has suffered a severe loss during the year in the deaths of two of its Directors—Mr. Morris W. Wilson and Mr. Gordon C. Edwards.

Respectfully submitted on behalf of the Board of Directors.

J. D. JOHNSON,
President.

CONSOLIDATED BALANCE SHEET, NOVEMBER 30, 1946

ASSETS

CURRENT ASSETS:			
Inventories of cement, materials and supplies as determined and certified by the Management and valued at or below cost, which is below market		$ 1,344,446.18	
Accounts receivable (less bad debts reserve)—			
Customers	$ 1,200,393.47		
Other	161,635.65	1,362,029.12	
Government bonds (Market value $15,693.75)		15,000.00	
Cash in banks and on hand		1,902,996.42	$ 5,124,471.72
PREFERENCE DIVIDEND MAINTENANCE FUND (represented by cash in banks)			800,000.00
REFUNDABLE PORTION OF EXCESS PROFITS TAX			340,671.10
UNEXPIRED INSURANCE, PREPAID TAXES AND OTHER PREPAID EXPENSES			78,809.60
PROPERTY ACCOUNT:			
Land, buildings, plant and equipment, etc. (as appraised by Messrs. Ford, Bacon & Davis, Inc. on the basis of commercial value at September 30, 1927, $38,267,500) and the Canada Cement Building at cost; with subsequent additions at cost and after crediting amounts realized from plant disposals		$60,035,807.11	
Less: Reserves for depreciation		28,849,702.81	$31,186,104.30
			$37,530,056.72

LIABILITIES

CURRENT LIABILITIES:		
Accounts payable	$ 835,870.24	
Bond interest accrued	5,689.18	
Preference dividend payable December 20, 1946	326,402.89	
Income, excess profits and other taxes	441,274.17	$ 1,609,236.48
MORTGAGE ON CANADA CEMENT BUILDING:		
Repayable in semi-annual instalments and balance due in 1948		295,000.00
FIRST MORTGAGE BONDS:		
Authorized	$20,000,000.00	
Series "A" issued and redeemed	$16,500,000.00	
2⅛% serial bonds 1946 Series due $700,000 annually 1947 to 1951—Issued	$ 3,500,000.00	
Less: Redeemed	10,000.00	3,490,000.00
RESERVES:		
Fire insurance	$ 500,000.00	
Extraordinary repairs and renewals	350,000.00	850,000.00
CAPITAL STOCK:		
Cumulative Redeemable Preference Shares of $20 par value each, carrying annual dividends at the rate of $1.30 per share (Note 1)—Authorized (of which $21,000,000 have been issued)	$25,000,000.00	
Outstanding — 1,004,345 shares	$20,086,900.00	
Common Shares—		
600,000 shares of no par value out of an authorized issue of 750,000 shares	6,403,904.75	26,490,804.75
SURPLUS: (Note 2)		
Earned Surplus, per statement attached	$ 3,654,244.39	
Deferred Surplus—refundable portion of excess profits tax	340,671.10	
Appropriated for Preference Dividend Maintenance Fund	800,000.00	4,794,915.49
		$37,530,056.72

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND EARNED SURPLUS FOR THE YEAR ENDING NOVEMBER 30, 1946

Profit from operations after providing $2,225,000.00 for depreciation, but before taking into account the undernoted items			$ 4,832,635.19
Executive remuneration		$ 98,424.96	
Directors' fees		11,480.00	
Legal expenses		2,201.80	112,106.76
			$ 4,720,528.43
Add:			
Income from investments		$ 62,216.23	
Profit on sale of investments		97,704.75	159,920.98
			$ 4,880,449.41
Deduct:			
Bond interest (net)		$ 333,626.59	
Mortgage interest		13,300.00	
Contribution to pension fund		100,000.00	
Proportion of 1936 Bond refunding expense		100,000.00	
Provision for income and excess profits taxes (of which the refundable portion of excess profits tax is $10,400.00)		2,155,000.00	2,701,926.59
Net profit for year, after income and excess profits taxes			$ 2,178,522.82
Deduct: Appropriation to Preference Dividend Maintenance Fund			800,000.00
Balance of profits			$ 1,378,522.82
Earned surplus, November 30, 1945		$ 3,485,081.08	
Add: Transfers from reserves—			
6½% Preference share redemption	$ 55,900.00		
Fire insurance	250,000.00		
Industrial accidents	56,800.00		
Contingent	400,000.00	762,700.00	4,247,781.08
			$ 5,626,303.90
Deduct:			
Balance of 1936 Bond refunding expense		$ 560,000.00	
Premium and expenses of 1946 Bond refunding, and expenses of compromise or arrangement with shareholders		106,410.89	666,410.89
			$ 4,959,893.01
Dividends on Preference shares			1,305,648.62
Earned surplus, November 30, 1946			$ 3,654,244.39

Notes to Consolidated Balance Sheet

(1) Under the Compromise or Arrangement sanctioned at the Special General Meeting of Shareholders on August 21, 1946, and confirmed by Supplementary Letters Patent dated September 23, 1946, each of the 6½% Sinking Fund Cumulative Preference shares of the par value of $100 each was subdivided into five Cumulative Redeemable Preference shares of the par value of $20 each, and the arrears of dividends, amounting to $40.25 per share, were extinguished.

The Preference shares may be called for redemption at $30 per share but the Company shall not be entitled to redeem upon call any of the Preference shares prior to October 1, 1951, and thereafter shall not be entitled to redeem, either upon call or by purchase, any of the Preference shares to such extent that the aggregate par value of the outstanding Preference shares shall thereby be reduced to less than $15,000,000 prior to October 1, 1956, nor to less than $10,000,000 prior to October 1, 1961.

(2) So long as any Preference shares are outstanding, no dividend shall be paid upon the Common shares when the Preference Dividend Maintenance Fund shall amount to less than $2.60 per share then outstanding; also neither $875,000 of the amount of the Earned Surplus as at November 30, 1945, nor any part of $330,271 of the amount of the Deferred Surplus as of said date shall be used or applied in payment of any dividend on the Common shares.

AUDITORS' REPORT TO THE SHAREHOLDERS:

We have made an examination of the books and accounts of Canada Cement Company Limited and its Subsidiary Companies for the year ending November 30, 1946, and have obtained all the information and explanations which we have required, and we report that, in our opinion, the above Balance Sheet, supplemented by the notes appended hereto, is properly drawn up so as to exhibit a true and correct view of the affairs of Canada Cement Company Limited and its Subsidiary Companies at November 30, 1946, and that the Statement of Profit and Loss and Earned Surplus correctly sets forth the result of their combined operations, according to the best of our information and the explanations given to us and as shown by the books of the Companies.

PRICE, WATERHOUSE & Co., Auditors.
Montreal, January 10, 1947.

Approved on Behalf of the Board:
J. D. JOHNSON, Director.
F. B. KILBOURN, Director.

Developing Base Metals, Prospecting To Share Benefits of Higher Prices

Higher ceiling prices for base metals are not only going to give a real lift to producing base metal mines but are going to give a real impetus both to the search for further base metal mines and financing of important base metal properties already being developed.

While it had been regarded as a foregone conclusion that Canadian domestic base metal prices would eventually be lifted, the low level of domestic ceiling prices, however, didn't provide any certainty as to what the average new base metal mine could expect. Mining interests are not satisfied with the new ceiling prices as they still don't give the full world price but the new ceilings—16.625c. for copper; 10.625c. for lead; and 10.25c. for zinc—are likely to turn a lot of material previously in the waste rock bracket into ore.

Lifting of the ceilings on copper and zinc will be of the greatest benefit to at least four big developing properties, it appears. Chief potential beneficiaries in this category from higher prices for these metals would be:

Quemont Mining Corp.; East Sullivan Mines; Sherritt Gordon Mines, and Macdonald Mines.

Because up-to-date figures on ore reserves are not available for any of these properties, it is not possible to make wholly accurate estimates of the "extra per ton" that can be expected with the increased prices. But it is obvious that the profit margin expectation has been lifted substantially.

Of course, even before ceilings were raised, the base metal mines were able to export part of their output, securing higher world prices.

Quemont "Extra" Appreciable

Quemont, in its surface drilling campaign, estimated six million tons averaging 0.181 oz. gold, 1.58% copper, 3.2% zinc and an ounce of silver. Underground work has indicated a larger tonnage and a somewhat higher grade, it can be stated. The 5.125 cents a pound boost in the price of copper on a 1.58% copper grade works out at $1.61 a ton extra on the value of the ore. This boost might apply to 50% of total output treated. If Quemont planned to ship zinc concentrates to the United States anyway, the increase of 4.5 cents a pound in the zinc ceiling would have little or no importance. But the increase in the "at home" price for zinc works out at $2.88 a ton, before allowance for smelter loss, freight and smelter charges, etc.

East Sullivan Situation

East Sullivan Mines has estimated 9,188 tons of ore to the vertical foot from surface drilling with a grade of 2.51% copper, 1.70% zinc, 0.03 oz. gold and 0.27 oz. silver. The extra on the value for copper in this case is $2.57 while zinc would have an extra gross value of $1.53 a ton. Again part of output could have been exported anyway so extra revenue would not be realized on all the output.

East Sullivan is just now getting underground work well under way and there is no information as yet on how grade underground will compare with surface drilling estimates. Recent geophysical work has given indications of one or more additional ore bodies and it is possible that the drill-indicated tonnage may be expanded.

Sherritt Gain Not Large

Sherritt Gordon Mines has indicated five million tons of ore in three ore bodies to a depth of approximately 1,000 ft. Average grade is reported at 1.18% nickel and 0.6% copper.

There has been no increase in the Canadian ceiling price on nickel yet but each ton of ore is indicated to have 12 lb. of copper; and the ore has an indicated value of 64 cents a ton extra for copper. Diamond drilling is continuing with a view to expanding tonnage to several times the present indicated tonnage.

Zinc Price Helps Macdonald

Macdonald Mines has reported three million tons of indicated ore averaging 0.07 oz. gold, 2.0 oz. silver, 5.5% zinc and 0.55% copper with some sections also reported carrying lead values.

Gross value added to zinc content works out at $4.95 a ton while 56 cents a ton has been added to the copper value. The company has estimated a much larger tonnage and a much higher value for its ore reserves by including values in sulphur and iron which the management states it expects to recover profitably.

Reeves Looks Better

Numerous other Canadian operations may be able to draw something out of the revaluation hat. Production plans have been considered for the Reeves MacDonald lead-zinc mine and the extra value improves the outlook there. It is on the Canadian side of the U. S.-Canada boundary in British Columbia.

Twin "J" Mines on Vancouver Island is just resuming production but will not likely receive anything extra since its concentrates are to be treated in the United States.

Keno Hill, in the Yukon, will turn out lead as well as silver, and should benefit. Nickel Offsets, Ontario Nickel and Ontario Pyrites in the Sudbury district, have an improved outlook. Marginal properties such as Rainville Copper in Quebec and Northern Lead-Zinc in the Northwest Territories may take on new interest now that base metal prices are continuing to rise.

With the higher prices for copper and zinc, there may be an added inducement for Lake Dufault Mines, Rouyn area, to proceed with its mooted shaft. Joliet-Quebec opened up a considerable quantity of siliceous copper-bearing material which looks better now. Operations such as Osisko Lake Mining Co., searching for "wildcat ore," undoubtedly have an improved incentive for aggressive exploration.

Quemont Shaft Gets Under Way

Two Further Surface Drill Holes Reported With Favorable Results

Full-scale sinking of the new shaft of Quemont Mining Corp. is expected to be under way by the end of January, the company reports. A pilot raise from the 200-ft. level broke through to the shaft bottom on Jan. 2, and slashing out to full shaft size was expected to permit sinking below the 200-ft. horizon before the end of the month.

Two drill holes filling in between previously-drilled holes have been completed from the ice of Osisko Lake returning values comparing favorably with adjoining holes, it is stated.

900 Results "Encouraging"

"Recent development work on the 900-ft. level has been of a highly encouraging nature," the report states. "The ore body previously reported as extending from the 900-ft. level to a vertical depth of 1,550 ft. has now been further extended by a vertical drill hole which intersected 200 ft. of good grade ore from 788 to 988 ft. below the 900 ft. level or 1,688 to 1.888 ft. below surface. This last intersection indicates a total length down the rake of 1,100 ft. for this ore shoot below the 900-ft. level. Further drilling is in progress to more fully outline the extent of this ore body. Crosscutting and diamond drilling have outlined an ore shoot approximately 2,100 ft. northeast of No. 1 shaft or 1,200 ft. northeast of the sulphide body previously intersected on the 900-ft. level. This ore body is of good grade and averages 27 ft. wide for a length of 250 ft. Further work is being carried out in this section."

By the middle of December, four diamond drills were putting down holes which could not be completed last winter from the ice and one machine was drilling to obtain geological information.

Continued vertical drilling from the drive from the 200-ft. level has returned some very good intersections, detailing the ore body at 100-ft. intervals.

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Maylac to Test 200-ft. Horizon

With de-watering from the 100 to 200-ft. level completed and an electric pump set up to handle any water flow, Maylac Gold Mines, Little Long Lac area, Ontario, plans to immediately wash down and back sample the No. 4 vein at the latter horizon as a preliminary to taking down of backs.

Previous sampling of this vein at the 200-ft. level is reported to have returned high values. Back sampling of the same vein east and west on the 100-ft. level produced $23,000 from 670 tons of ore milled in December, 1946, for an average of better than $25 a ton.

Mining is reported continuing on the No. 101 raise on vein No. 1. Two rounds and a slash were taken from the heading and gold values were noted from muck samples in the last three rounds. Although samples were of no commercial interest, they could suggest the beginning of an ore shoot, it is pointed out. The heading is some 65 ft. below surface.

Sampling No. 4 vein at the 100-ft. level, for 30 ft. to the east, returned values of 0.04, 1.62 and 0.02 oz. over 10-ft. lengths. This section has now been re-sampled as well as the drift to date with assay returns awaited.

In the west drift the 10 ft. immediately adjoining the stope on the east returned 0.92 oz. across the vein width of 3 in. and the next 10 ft. returned 0.20 oz. across 6 in.

Shaft work is expected to be started by Feb. 1 as contract was to be awarded the last week in January. It is intended to use the present miners on the property in the shaft-sinking crew, the company reports.

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YELLOWKNIFE DEVELOPMENT REVIEW FOR 1946-1947

A resumé of development work already completed and work planned for the following Yellowknife Gold Mining Companies:

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GIANT
SALMITA

ADMIRAL
ALCAN
ALPHA
AMY
ANDREW
ANDY
ARCTIC
ATLAS
AURIGA
AURORA
BEAUCAMP
BEAURIV
BELLE-BRY
BERYLACA
BILOXI
BLADE
BOISE
BOWIE
BRAVO
BRUIN
BURGESS
CABALA
CABOT
CALIFORNIA
CAPTAIN
CARDINAL
CASSIDY
CAVAN
CHALKIS
CHARM
CIRCLE
CONALDON
CONJO
DALLAS
DEB
DOLPHIN
DORIS
DRAKE
DUNN
EMERALD
ESKIMO PETE
FAIRBANKS
FLEETWOOD
FORBES
FORTUNE
FREDERICK
GOLDPAC
GOLDRICH
GOTHAM
GREAT

AURLANDO
BEAULIEU
LEXINDIN
INDIAN LAKE

HOMER
HUB
HUHILL
JENSEN
JEPH
JACKNIFE
KAMLAC
KARAT
KIMBERLEY
LASALLE
LEADER
LODESTAR
LUCILLE
LUNDAY
LUZON
LYNX
MARBEAU
MASSIVE
MEEWOOD
MERINO
MIDAS
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PET
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QUYTANGLE
QUYTA
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On Schedule At Louvicourt

Open New Ore to East at 225-ft. Horizon in December

All phases of shaft-sinking, underground work, plant and mill construction are up to schedule, Louvicourt Goldfield Corp. states in its December progress report.

New buildings were completed by the end of 1946, conveyorway housings from shaft to crushing plant were largely finished and erection of a 1,000-ton steel ore storage bin in the mill was commenced.

Saw mills and classifiers, three agitators and one filter were erected during December, while various floors, runways and stairs were constructed.

120 ft. of New Ore at "225"

Of 153 ft. of drifting to the east of the 225-ft. level, 120 ft. was in ore and ore continued in the face at month end.

A true ore width of 30 ft. was revealed in the downward extension of the B-1 ore body on the 375-ft. level. An additional 266 ft. of drifting and crosscutting was completed at this horizon to further development and production plans.

A raise in "B" ore body was advanced 107 ft. above the 375-ft. level and entered ore 25 ft. above the level, with the balance of 82 ft. averaging $9.33 across the width of the raise.

The main shaft was deepened 73.6 ft. and the fourth level station at 675 ft. was completed and made ready for lateral exploration.

North Inca Hits Values in Ounces

North Inca Gold Mines has obtained an average value of 2.4 oz. across a true width of 2.6 ft. in drill hole No. 58 and in what may be the southern extension of No. 3 vein, The Financial Post is advised. Assays were obtained in four continuous sections.

The hole, drilled to cut the "A" zone north of the Inca fault at vertical depth of 800 ft., intersected 2 ft. assaying 0.44 oz., 2 ft. running 0.76 oz., 1.5 ft. grading 6.12 oz. and 2 ft. of 3.20 oz. grade.

Silver Standard Plans Underground Program

Negotiations have been completed by the newly incorporated Silver Standard Mines to drive a 410-ft. crosscut on the 500-ft. horizon of the 36-claim group in Hazelton district, B. C. Four levels were established and extensive underground work completed on this former silver producer some years ago by Silver Standard Mining Co.

Immediate objective is to rehabilitate underground workings and install necessary plant and equipment to renew lateral development. Installation of a modern 50-ton mill may be considered, if work adds to indicated ore reserves of 39,850 tons.

Directors are: R. R. Wilson, Angus Stewart, W. C. Ditmars, Charles D. Hunter, A. M. Whiteside and Ridgeway W. Wilson.

Eastern Steel Products Appointment

FRED J. MADELY

J. G. Lerriman, President of Eastern Steel Products Limited, takes pleasure in announcing the appointment of Fred J. Madely as General Manager of the Company and its subsidiaries, W. D. Beath & Son Limited and The A. B. Ormsby Co. Ltd.

Mr. Madely, who is 41 years of age, has been with the Company twenty years. He was promoted from General Superintendent, Montreal plant, to Production Manager of the Company and its subsidiaries in 1945, with headquarters in Toronto, and in June, 1946, was appointed Assistant General Manager.

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DIVIDEND NOTICES

The Royal Bank of Canada

DIVIDEND No. 238

NOTICE is hereby given that a dividend of two per cent (twenty cents per share) upon the paid-up capital stock of this bank has been declared for the current quarter and will be payable at the bank and its branches on and after Saturday, the first day of March next, to shareholders of record at the close of business on the 31st day of January, 1947.

By order of the Board.

JAMES MUIR
General Manager.

Montreal, Que., January 14, 1947.

The John Bertram & Sons Co. Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of twenty-five cents (25c) per share has been declared on the outstanding Class "A" stock of this company, payable February 15th, to shareholders of record, January 31, 1947.

J. W. McNAB,
Secretary.

Dundas, Ont.
January 15, 1947.

AUNOR GOLD MINES LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that an interim dividend of Five Cents (5c) per share, payable in Canadian funds, has been declared by the Directors of Aunor Gold Mines Limited, payable March 1st, 1947, to shareholders of record February 7th, 1947.

By Order of the Board.

J. R. BRADFIELD,
Secretary.

Toronto, Ontario.
January 23, 1947.

ANGLO-CANADIAN TELEPHONE COMPANY

Class A Dividend

NOTICE is hereby given that a dividend of One and One-Half percent (1½%) has been declared on the Class A Stock of the Company, payable March 1, 1947, to Stockholders of record at the close of business on February 10, 1947.

By Order of the Board.

CAMERON HOUGH,
Secretary.

Montreal, January 2, 1947.

The Hamilton Cotton Company Limited

DIVIDEND NOTICE

Notice is hereby given that a Dividend of 22½ cents per share on the outstanding Common Shares of the Company has been declared for payment March 1st, 1947, to Shareholders of Record at the close of business February 10th, 1946.

By Order of the Board,

E. GLOVER HOWE,
Secretary.

Dated at Hamilton,
January 27th, 1947.

The Montreal Cottons Limited

NOTICE IS HEREBY GIVEN THAT A QUARTERLY DIVIDEND of 44c per share, being at the rate of seven per cent (7%) per annum, has been declared upon the $25.00 par value seven per cent (7%) cumulative redeemable preferred shares of the Company, and cheques will be mailed on the fifteenth day of March next, to shareholders of record at the close of business on the 15th day of February, 1947.

By Order of the Board,

CHAS. GURNHAM,
Secretary-Treasurer.

Valleyfield, January 22nd, 1947.

The Montreal Cottons Limited

NOTICE IS HEREBY GIVEN THAT A DIVIDEND of 13c per share has been declared upon the Common Shares without nominal or par value of the Company, and cheques will be mailed on the fifteenth day of March next, to shareholders of record at the close of business on the 15th day of February.

By Order of the Board,

CHAS. GURNHAM,
Secretary-Treasurer.

Valleyfield, January 22nd, 1947.

Woods Manufacturing Company, Limited

Notice is hereby given that a quarterly dividend of Fifty Cents (50c) per share on the No Par Value Common Shares of the Company has been declared for the quarter ending March 31st, 1947, payable March 31st, 1947, to shareholders of record February 28th, 1947.

By Order of the Board.

J. G. COSTELLO,
Secretary.

Montreal, January 22nd, 1947.

COMMOIL LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of ½ cent per share has been declared on the outstanding no par value shares of the Company, payable February 25th, 1947, to shareholders of record at the close of business, February 8th, 1947.

The transfer books of the Company will not be closed.

By order of the Board.

G. J. McKay, Secretary.

January 23rd, 1947.

DONOHUE BROTHERS LIMITED

Notice of Dividend

Notice is hereby given that a dividend of $0.25 per share has been declared on the ordinary shares of the Company for the quarter ending 28th February, 1947.

The said dividend will be payable on 1st March, 1947, to shareholders on record at the close of business on the 15th February, 1947.

By Order of the Board,

A. EMILE BEAUVAIS, C.A.,
Secretary.

Malartic Readies for Bigger Things Expect Capacity to be Doubled in '47

By GORDON M. GRANT

A major expansion of production by the turn of the year is being aimed at by Malartic Gold Fields. Both mine and mill programs are geared to a schedule which has this in mind, it is understood.

Construction of a brand-new 700-ton mill at the No. 2 or west mine is expected to start in April with completion scheduled for August. The present 700-ton milling unit will then be moved from No. 1 to No. 2 shaft to provide the company with over-all milling facilities of 1,400 tons daily, making the operation one of the largest in Quebec.

Program Long Planned

The expansion program is one that was deferred by the war. The company never was able to gear its mining operation to the large tonnage ore measures of the west or No. 2 mine.

The mine program is now well in progress for production of 1,400 tons daily. All mining plant foundations and buildings at the No. 2 shaft have been completed. New steel headframe and heavy duty hoists should be installed in June. The present milling unit will be overhauled before it is placed in operation again at No. 2 shaft.

By taking ore disclosures to the 600-ft. level and estimating 2,300 tons to the vertical foot below that to the 1,200-ft. level, Malartic Gold Fields has probable ore of 2 to 2½ million tons at its No. 2 shaft location, it is estimated.

Hope For Better Grade

An upturn in grade of ore mined and milled is hoped for in 1947 and a grade of about 0.2 oz. or $7 a ton is the goal with the new mill in operation, it is believed. A small operating loss was actually experienced in the last half of 1946, however, because mill heads were only 0.164 oz. against 0.185 oz. in the first half of the year. This decline in grade is reported only temporary due to cleaning up of lower grade stopes in the No. 1 mine and to development headings and stoping of marginal ore bodies in the west or No. 2 mine.

Mine development in recent months has been confined to the 600- and 700-ft. levels in the west ore bodies and this has confirmed the depth continuity of the several parallel structures as opened on the three upper levels.

On the 600-ft. level, the following ore lengths have been outlined:

	ft.	ft.	oz.
	ft.	ft.	ft.
No. 5	240	23.0	0.14
No. 1	{200	8.0	0.128
	{180	21.0	0.16
No. 2	285	12.0	0.22

The No. 3 and 4 zones have been drifted on for 200 ft. east and west with grade and widths yet to be determined.

At the 750-ft. horizon, the No. 1 body has been opened for a length of 120 ft. averaging 0.23 oz. across drift width. No. 2 has been opened for 100 ft. averaging 0.22 oz. while No. 3 averages 0.184 oz. for 180 ft. Three horizontal drill holes to the north have shown strongly improved grade and widths in the zone that should be the depth continuity of the No. 4 ore body. Holes at 40-ft. intervals from east to west have returned: 0.207 oz. over 21.0 ft., 0.315 oz. over 20.7 ft., and 0.14 oz. over 47.0 ft.

The drift advance on these two levels has been over comparatively short lengths. There is stated to be a sustained rake to the east with 600 or 700 ft. yet to be developed to the depth projections of the ore bodies on the upper levels.

On the 1,200-ft. level, the five developed ore bodies show total lengths of 880 ft. averaging 0.19 ft. gold over drift width. The No. 12-1 ore body located to the northwest may be a new structure, it is thought. Stope preparation is now under way on it over a length of 285 ft. with average widths of 9 to 12 ft.

Driving of the 3,000-ft. heading from the No. 1 shaft to the No. 2 shaft at the 1,800-ft. horizon has now been carried for 700 ft. and the drive will likely reach its goal late in the year. Raising will then be carried out to connect up with the No. 2 shaft.

There is a stretch of 6,000 ft. along the main zone to the west boundary with Rand Malartic. Consideration may be given to drilling exploration of this extension in the current year.

DIVIDEND NOTICES

ALUMINIUM LIMITED

COMMON DIVIDEND

On January 23rd, 1947, a quarterly dividend of $2.00 per share was declared on the Common Shares of this Company payable in Canadian Dollars March 5th, 1947, to shareholders of record at the close of business February 7th, 1947.

Montreal
January 23rd, 1947.

J. A. DULLEA,
Secretary.

CANADIAN GENERAL ELECTRIC COMPANY, LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of two dollars per share for the quarter ending March 31, 1947, has been declared on the Common Stock of the Company.

The above dividend is payable April 1, 1947, to shareholders of record at the close of business March 15, 1947.

By Order of The Board.

W. H. NESBITT, *Secretary.*

Toronto, January 24, 1947.

DAVIS LEATHER CANADA LIMITED

NOTICE OF DIVIDENDS

Notice is hereby given that a quarterly dividend of 37½c. per share has been declared on the outstanding Class A shares of this Company payable March 1, 1947, to shareholders of record at the close of business on February 1, 1947.

Notice is hereby given that a quarterly dividend of 17½c. per share has been declared on the outstanding Class B shares of this Company payable March 1, 1947, to shareholders of record at the close of business on February 1, 1947.

By Order of the Board.

R. BURNS LIND,
Secretary-Treasurer
and General Manager.

Newmarket, Ontario,
January 28, 1947.

KERR-ADDISON GOLD MINES LIMITED

(No Personal Liability)

INTERIM DIVIDEND NO. 40

Notice is hereby given that an interim dividend of three cents per share has been declared on the issued capital stock of the company, payable in Canadian funds on Friday, February 28, 1947, to shareholders of record at the close of business on Friday, February 7th, 1947.

By Order of the Board.

G. A. CAVIN,
Secretary-Treasurer.

Toronto, Ontario,
January 24th, 1947.

Heva Gets Good Ore to West In 400-ft. Level Heading

Drifting west at the 400-ft. level of Heva Gold Mines has come into interesting ore values somewhat earlier than expected with the last four faces over a length of 25 ft. returning: $6.72 over 4.5 ft., $17.15 over 3.0 ft., $12.81 over 5.0 ft. and $3.22 over 6.8 ft.

This works out at a length of 25 ft. averaging $8.77 over 4.75 ft. Slashing in this section has shown an 18-ft. width of vein with the vein structure still in evidence, the company reports.

Value Important

The ore values have been found about vertically below the area in which ore values have been developed in the 275-ft. level west drift. However, if the ore rakes west, as previously suspected, the latest ore on the 400 level may be a "bonus" that wasn't indicated by the drilling.

In the east drift at the 400-ft. level, a length of 38 ft. was estimated to average $7.68 over 15.4 ft. or alternatively a length of 70 ft. averaged $9.05 over 16.9 ft. Further work in this area has rather improved previous results and there is estimated 150 tons of ore to the vertical foot for a length of 70 ft., it is stated.

From work on the 275-ft. level there is a combined ore length of 241 ft. averaging $9.77 over 6.58 ft. This is made up of two shoots: 86 ft. averaging $12.10 over 6.1 ft.; and 155 ft. averaging $8.58 over 6.85 ft. Including lower values secured in a few more recent rounds, the 86-ft. length can be reported as 110 ft. averaging $10.51 over 5.75 ft.

COMPANY REPORTS

BEATTY BROS. net profit for the year ended Aug. 31, 1946 was up 23.3%. Cancellation of war orders was more than offset by increased sales of the company's regular products, President W. G. Beatty stated. Only shortly before the end of the company's fiscal year were some increases in selling prices authorized, and these did not fully compensate for higher costs of materials and labor throughout the year, the president stated.

Among new lines of equipment being developed is an automatic washing machine which, through a labor-saving device, will permit washing, rinsing and damp drying of clothes; and which is expected on the market in the early summer. A program of modernizing and enlarging the company's production equipment is under way; and these improvements are expected to increase sales volume.

CONS. INCOME ACCOUNT

Years Ended:	Aug. 31 1946	Sept. 1 1945
Net earnings	$1,002,964	$993,766
Less: Res. for tax‡ ..	420,000	550,000
Deprec. on assets ..	104,892	56,216
Net profit†	478,072	387,550
Less: 2nd pf. div.	....	25,585
Com. div., "A"	78,000	78,000
Com. div., "B"	150,000	100,000
Surplus for year	250,072	183,965
‡Incl. ref. EPT	16,000	58,000

†Note: Co's. report includes ref. EPT in net profit and surplus for year.

Earnings per Share and Dividend Record:		
2nd Pref.:† Paid ...	......	$7.00
Common, "A":		
Excl. ref. EPT	$12.26	9.28
Incl. ref. EPT	12.67	10.77
"A" & "B" combined:		
Excl. ref. EPT ...	3.44	2.60
Incl. ref. EPT	3.55	3.02
Paid, cl. "A"	2.00	2.00
Paid, cl. "B"	1.50	1.00

†Redeemed June 30, 1945.

CONDENSED CONS. BALANCE SHEET

As at:	Aug. 31 1946	Sept. 1 1945
Cash & govt. bds.	$2,100,741	$2,909,285
Accts. & int. rec.	671,008	494,752
Life ins. c. s. v.	283,390	271,729
Inventories	2,126,839	1,625,982
Total curr. assets ..	5,181,987	5,301,748
Misc. assets‡	307,067	382,308
Inv. sub. co's.	286,232	24,642
Fixed assets‡	797,944	562,091
Total assets	6,573,230	6,270,789
Total curr. liab. ...	920,669	926,938
Capital stock	1,475,000	1,475,000
Surplus‡	4,177,561	†3,868,851
‡Less depr.	....	1,357,706
‡Incl. ref. EPT	215,088	276,800
Working capital	4,261,318	4,374,810

†After adding $157,632 EPT contingency reserve no longer required, and deducting $400,000 appropriation to employees annuity plan and $64,370 premium paid on redemption of 2nd preferred.

NORTH AMERICAN LIFE ASSURANCE CO. reports new business effected in 1946 at $61 millions, an increase of over $17 millions. Average new direct ordinary sale was $2,926 ($2,576 in 1945). Business in force gained $41.4 millions to $403 millions, consisting of 151,804 policies averaging $2,658 each in amount.

Total policy payments were over $5.5 millions and total reserves for the protection of policyholders were increased more than $7 millions. Thus approximately $12.5 millions was either paid to policyholders or held for them as policy reserves.

Insur. in force ...	$403,446,916	$362,085,616
New insurance ...	60,980,756	43,660,289
Total revenue	15,781,166	14,142,903
Policy payments .	5,516,893	5,294,383
Exps. & taxes ..	3,504,808	2,880,708
Wr. off assets	501,660	432,498
Tr. to reserves ...	615,441	100,000
Inc. in policy res.	6,684,934	5,730,699
Surplus earnings .	1,163,593	1,248,474
Liabs. to p'holders	96,098,463	88,134,815
Other liabs.	688,754	557,319
Prov. for policy divds.	1,484,672	1,439,873
Sp. reserves	3,500,000	3,250,000
Total assets	104,877,193	96,373,530
Surplus	3,105,308	2,991,523
Int. earned	3.75%	3.86%

LONDON LIFE INSURANCE CO. in 1946 reached new high levels in insurance in force, new insurance issued and total assets. Insurance in force at almost $1.3 billions is double that of seven years ago and $148 millions above the 1945 level. At the annual meeting last week, Managing Director R. H. Reid stated that one eighth of all insurance in force in Canada had been bought from the London Life. Total assets were over $247 millions.

The company this year will increase dividends on ordinary and industrial policies providing life insurance protection primarily. The company in 1946 invested more than $42.5 millions, of which $28 millions was placed in government bonds and debentures; $12.4 millions in first mortgages or improved real estate.

	1946 $	1945 $
Insur. in force ..	1,281,101,444	1,133,059,558
New insurance..	197,819,010	138,337,628
Total income ...	48,937,625	45,568,873
Policy payts. ...	18,986,929	16,087,752
Operat. costs ...	8,725,841	7,006,163
Wr. off invest. ..	152,438	558,395
Sh'holders divds.	100,000	100,000
Other payments.	704,667	669,783
Liabs. to p'hold. inc. actuarial res. .	216,072,104	195,613,619
Liabs. to sh'hold.	822,511	734,630
Staff pens. fund.	7,344,455	6,123,656
Other liabs.	1,993,923	1,696,279
Special reserves.	11,000,000	12,600,000
Total assets	247,214,336	226,229,332
Surplus	9,981,343	9,460,148

EXCELSIOR LIFE INSURANCE CO. had $192.6 millions insurance in force on Dec. 31, an increase of $20.8 millions the annual report shows. New insurance during 1946, including revivals, was $30 millions, a gain of 40.23%. Total revenue policy payments and total assets were also higher.

Of the $2 million policy payments, death claims were $888,482; payments to living policyholders $1.2 millions or 57% of the total. Mortality experience following the war has been very light, the report states.

The company has added $75,000 to the policy reserve account to place the reserve of the 1941 and 1942 business on a 3% basis. Last year a like amount was transferred to place the 1943 and 1944 business on the 3% reserve basis. Unallotted surplus is $1.5 millions up $50,000.

	1946	1945
Insur. in force ...	$192,624,295	$171,793,209
New insurance ..	30,077,247	21,441,718
Total income	6,766,126	5,878,374
Premiums	5,163,418	4,503,924
Int. divids. rents	1,602,708	1,374,450
Policy payments .	2,069,200	1,998,563
Expenses & taxes	1,598,700	1,298,450
Sh'holders divids.	16,400	16,000
Assets w/d	268,273	134,356
Liabs. to p'holders inc. actuarial res.	35,657,431	32,699,779
Liabs. to s'holders	471,541	468,551
Other liabs.	10,490	2,025
Sp. reserves	1,185,795	1,127,045
Total assets	38,876,285	35,798,846
Surplus	1,551,028	1,501,446
Int. earned	3.94%	4.08%

CANADA PERMANENT TRUST CO. net profit was $80,602 in 1946, after providing for all charges, including depreciation and taxes ($77,164 in previous year). Total assets under administration dropped from $70,684,567 at end of 1945 to $70,455,977.

Liabilities to the public were $262,691 (off from $463,652). Shareholders' equity moved up from $1,561,867 to $1,582,469.

	1946	1945
Liab. to public, etc.*	$262,691	$463,652
Shareholders' equity .	1,582,469	1,561,867
*Secured by:		
Mtge. & sales agree.	677,525	783,129
Safety dep. boxes ..	......	36,134
Liquid assets	1,167,635	1,206,256
Totals‡	1,845,160	2,025,519
‡Includes bonds and stocks.		
Estates account	68,600,817	68,659,048
Earned per share	$8.06	$7.72
Paid	6.00	6.00

Ontario Security Commission Options

Company:	Underwriter:	Purchased (Underwritten) Shares	At c.	Date	Option No. Shares	Received Price Range c.	Capitalization Author. Shares	O/s Shares	Accepted
Barrington Lake Cop. M.	Industro-Mining Invests.	600,000	10	Nov. 9	1,100,000	50-$1	3,000,000	1,400,005	Jan. 3
Lochabie M.	A. J. Gillies	450,000	10-15	Oct. 12	1,000,000	20-$1	3,000,000	1,448,032	Jan. 3
Ni-Ag-Co Mines	E. Dobson & Co.†	......	..	Nov. 4	1,999,993	10-75	3,000,000	1,000,007	Jan. 4
Pasgil Mines	Vansec Agency & Dev. Co.	120,000	*	Nov. 20	1,380,000	12½-60	5,000,000	1,200,008	Jan. 3
Keisina Kirkland G. M. ..	C. M. Cook†	......	..	Oct. 24	2,300,000	5-$1	3,500,000	1,100,005	Jan. 9
Thorn Hill G. M.	J. J. Jackson	199,999	10	Nov. 26	780,000	12½-50	4,000,000	3,013,005	Jan. 10

†Optionee. *$15,000.

AMENDMENTS TO PREVIOUS AGREEMENTS

Default: Mirival Gold Mines.
Cancelled: Raleigh Red Lake Mines.
Accepted for filing: Gordon A. Mustard Prospecting Synd., Sen nepas Gold Mines, Eauclair Prospecting Synd., Fredwin Prospecting Synd., Grovkor Gold Mining Synd., Rich Hill Prospecting Synd.
Terminated: South Dufault Mines.
Assigned: Sunset Yellowknife Mines.

Detta Drill Hole Gets Rich Show Out to the East

A 2-ft. section showing spectacular visible gold starting at footage 394 in drill hole No. 24, 400 ft. to the east of hole No. 16, is expected to change the drill-indicated ore picture considerably for Detta Red Lake Mines, The Financial Post understands.

This was the second visible gold show in this particular hole another 1.5 ft. showing visible gold coming in at 290 ft.

In the Detta program, four holes have now been spaced out at 100-ft. intervals beyond hole No. 16—holes Nos. 18, 20, 23 and 24. Only No. 20 hole failed to show visible gold. Assays were not available in Toronto at press time on any hole east of No. 16. With visible gold showing so frequently, however, the ore zone has now an indicated length of 900 ft. if 50-ft. extensions beyond outside holes are included. Ground is "wide open" to the east beyond No. 24 and officials display particular interest in what may be turned up there..

It is expected that a shaft will be started this coming spring.

See Big Boom At Yellowknife

600 Lots of New Townsite Reported Nearly All Sold

From Our Own Correspondent

EDMONTON — Observers here predict great development in the townsite of Yellowknife this year to meet problems that have arisen from the increased exploration and mining work in the area.

Immediate provisions of more living space for the steadily increasing population is regarded as essential. Roads linking the town with outlying mines and power sites, it is thought, must also be given some priority in this summer's construction program.

Development of the new townsite of Yellowknife, about one-half mile from the present town on the north shore of Great Slave Lake promises to be one of the major undertakings.

The new townsite has been subdivided. Practically all the property, split into 600 lots, has been sold. Construction of homes, hotels, mine offices and other business premises will be rushed as rapidly as supplies can be made available. During a recent visit to Edmonton, Hon. James A. MacKinnon, Minister of Trade and Commerce, said that a start would be made this year on a $1 million waterworks and sewer system for the town.

With the mining area expanding, it is considered likely that other townsites will spring up. One of these may result from the Snare river power project, which is under construction to meet the needs of gold mines in the district, about 100 miles north of Yellowknife. Of the possible sites discussed for such a community, one on Russell Lake, at the tip of the North Arm of Great Slave Lake appears to be favored.

Another power site on the Beaulieu river is being discussed to serve the mining sites which have fanned out north and east of Yellowknife. If this should materialize, it is thought likely a community will settle near the mouth of the Beaulieu river, east of Yellowknife and along the north shore of Great Slave lake.

MINING CONCENTRATES

CLAREMONT MINES has erected permanent housing for drill crew as initial step in large drilling program designed to extend existing ore bodies.

* * *

CONTINENTAL DIAMOND DRILLING & EXPLORATION CO. encountered narrow veins and stringers in well-carbonitized lavas in drill hole L-1 on Sylvestere property, Ligneris twp., Que. Hole L-2, sited 600 to the east, has advanced to 485-ft. depth.

* * *

CENTURY MINING CORP. will concentrate immediate development to drifting on new 375- and 500-ft. levels to outline ore conditions at these horizons.

* * *

ELDER MINES says that 600 west drift on No. 1 vein has encountered higher grade sections at a point 330 ft. from the shaft. Last channel sample from face of drift averaged $15.05 across 8 ft.

* * *

COLOMAC YELLOWKNIFE MINES has shipped two 750-lb. bulk samples from three tunnel crosscuts to University of Alberta for metallurgical testing purposes.

* * *

QUEST YELLOWKNIFE MINES is diamond drilling through ice of Quest Lake in probe of northerly extension of narrow rich "A" vein. Other sections of Yellowknife property will be drilled when weather conditions favorable.

Release From Escrow

Company:	No. Shares	Release Date
Gaymont Mines	100,000	Jan. 14
Redwood Gold Mines ...	346,875	Jan. 14
Dunmar Mines	110,000	Jan. 15
Rouzone Mining Corp. ..	50,000	Jan. 16
Garrison Creek M.	104,999	Jan. 18
Morgan Creek Mines	120,000	Jan. 18
Norzone Rouyn Mines ..	100,000	Jan. 20
Lucky Kirkland G. M. ..	*	Jan. 20
Bourbon Mines	150,000	Jan. 20
D'Aragon Mines	100,000	Jan. 30
Donmaque G. M.	200,000	Jan. 29
Errowana G. M.	426,441	Jan. 29
Marcus G. M.	148,500	Jan. 29
New Bidlamaque G. M.	1,095,000	....

*All shares escrowed.

Aumaque Plans To Sink Winze

Anticipate Greater Continuity to Ore Below 500-ft. Level

After a thorough examination of mine workings by top officials recently, Aumaque Gold Mines has decided to follow its indicated ore to depth by sinking a winze from the present bottom level to at least 625 ft.

Development results have been much better on the 500-ft. level than at the 250-ft. horizon and officials want to see if the improvement continues to depth. Drifting will be done at the 625-ft. horizon and if results warrant the winze will be further extended downward and the opening improved for conversion into a main hoistway.

Drilling downward from the 500-ft. level at a point considerably north of the main ore zone has indicated the extension of the "A" zone to the 625-ft. level. A hole now being bored to cut this extension at still greater depth appears to be meeting with success.

Work on the 500-ft. level has shown three lengths of ore grade which are long enough to make stopes. The most westerly shoot is a length of 129.4 ft. averaging 0.37 oz. gold across 4.6 ft. Only a few feet to the east of this is a length of 131.5 ft. averaging 0.30 oz. over 5.7 ft. while quite a distance to the east is a length of 93.3 ft. averaging 0.36 oz. (0.26 oz. cut) across 5.48 ft. The winze will be put down near the eastern end of the middle ore shoot and will follow the values down.

Further work is proposed to the west at the 500-ft. level and drifting is to continue in the 205 and 207 drifts at the 250-ft. level where new parallel ore shoots are indicated.

Contin'tal Drilling Buys "Mic Mac" For $750,000

Canadian interests have acquired a controlling interest in the producing Mic-Mac Mines from U. S. Smelting, Refining & Mining Co., it is revealed with the official announcement of Continental Diamond Drilling Co. that it has acquired control by cash purchase.

The transaction covers a payment of $745,000 cash by Continental for 100% of Mic-Mac Mines preferred shares and 76% of its common shares.

The 2,994-acre Mic-Mac mine is fully equipped with a plant and mill capable of treating 800 tons of ore daily. From workings extending to 1,350 ft., 750,000 tons of ore had been mined to the end of 1946 with a production value in excess of $4 millions, it is stated. Operations by the same staff will continue under Frederick Reid.

An extensive drilling program directed by Allan Jeckell is to start about Feb. 1. Objective will be to determine ore possibilities of the west end of the main ore zone where a mile of ground is largely untested.

Hints 1,000-ton Mill Possible at Lunward

Managing Director C. H. E. Stewart says Lunward Gold Mines has given every indication of developing into a large tonnage operation of $5.25 to $5.95 grade. Indicated tonnages are large, he states, and it is quite easy to visualize a milling unit with capacity 1,000 to 1,500 tons daily.

Company is completing the final hole in a 77-hole drilling program carried out in test of Nos. 2, 3 and southwest zones. The management feels that time has come to proceed with underground exploration of known ore occurrences.

Results from a number of holes drilled follow: Hole 108 gave three, 6- and 7-ft. sections running $1.15 to $1.90; hole 109 gave 10, 16 and 26-ft. sections assaying $1.83 to $4.15; hole 110 returned 5 ft. of $3.50; hole 111 gave 54.5 ft. of $2.42; hole 113 gave 12- and 15-ft. sections of $1.68 and $1.75; hole 115 returned 46 ft. of $4.76 and 19 ft. of $5.39 and hole 116 ran $4.41 for 14 ft.

Baker Lake Acquires Thelon Undertakings

Baker Lake Exploration has been incorporated to acquire a large group of mining claims and options on additional acreage in Thelon River-Baker Lake areas, N.W.T., and northern Manitoba. A portion of the authorized three million shares will go to Thelon Prospecting Synd., as vendors, but management control will be held by Vincent Mining Corp.

President W. A. Richardson, managing director of the syndicate, will head an expedition into the area this year to direct development and drilling of the Manitoba property and also explore the Baker Lake claims. The latter claims were staked along a greenstone belt but shortage of time and personnel prevented thorough exploration of the area.

U. S. 4c. Copper Tariff Fight To Be Taken Before Congress

Special Correspondence

WASHINGTON — U. S. copper fabricators are preparing to take their appeal for lower tariff rates directly to Congress, but they hold little hope for prompt action. It probably would take a major supply crisis among copper consuming industries before Congress decided to act, informed sources say.

U. S. fabricators are, however, ready to tell Congress that up to three-quarters of the fabricating plants may have to curtail operations unless domestic supplies are augmented quickly. What effect this may have on legislators, remains to be seen.

See Publicity Helpful

To date, copper represents the only major commodity that will be brought directly to the attention of the full Congress, instead of to the Trade Reciprocity committees. Industry representatives feel that the dramatic possibility of getting full Congressional attention centred on the matter, may in the long run prove more effective than the full-dress tariff hearings, which can bring no tangible result before early summer.

Faced meanwhile with the virtual exhaustion of stocks supplies by the Office of Metals Reserve, U. S. copper fabricators are going ahead with plans for the importation of foreign copper that would add 4c. to the domestic price.

After surveying the limited copper supplies that will be available during the next eight weeks, industry sources say it is no longer a question of how fabricators feel about adding the 4c. duty.

A reliable trade authority here informs The Financial Post that fabricators are already making plans for the importation of foreign copper for domestic use, but he declines comment as to how soon large-scale arrangements might be completed. Such action, he states, is bound to come in the next few months if there is no prior tariff action.

Initial Hole Spotted For Aladdin Drilling

Initial hole in 5,000-ft. diamond drilling program on Aladdin-Groundhog Mines property has been spotted approximately 500 ft. north of northeast corner of Joburke, The Financial Post is advised. The hole is to be drilled south and will be first in a series of cross-sectional holes.

Company is said to exhibit shearing similar to that found on Joburke, where it extends both north and south of an iron formation. This northerly shearing, according to Staff Geologist Ivan Christopher, extends across southeastern section of Aladdin-Groundhog, where initial hole is being collared.

Privateer Shows December Profit

With a total of $31,156 recovered, Privateer Mine realized a profit of $5,871 in December before depreciation and depletion, President D. S. Tait reports.

Delivery of a compressor, guaranteed for the end of January, is expected greatly to accelerate the production and development programs.

Opening of a high-grade ore shoot in No. 3 vein of the Privateer mine proved the feature of the month's operations. Assays ran all the way from an ounce to 28 ozs. and the 1103 raise on this body averaged 11.72 oz. over 0.5 ft. for a height of 132 ft. This ore shoot, encountered on three levels, shows its greatest length on the 1203 level, where it averages 3.98 oz. over 0.52 ft. for a length of 120 ft. This is the deepest high-grade ore yet developed in the mine.

Formaque Extends Vein on 3 Levels

No. 12 vein structure at Formaque Gold Mines has been exposed for 1,203 ft. on the 125-ft. level, 1,686 ft. on 250 and 700 ft. on the 375-ft. horizon, The Financial Post is advised. Muck samples from 232 cars taken from the 125-ft. level ran as high as $30.20 with lesser values in other cars. Average value for full crosscut and including the basic dyke alone, a width of 19 ft., ran $13.05.

An additional width of 3 ft. of shearing has been exposed on 250-ft. level, while a slash taken in south wall of 375-ft. horizon, where visible gold occurred in the vein, has exposed an additional width of 9 ft.

Consol. Beattie Control Changes

According to unofficial advices at press time, operating control of Consolidated Beattie Gold Mines is being relinquished by Ventures Ltd. and Nipissing Mines with a new board of directors likely to be announced in the near future.

It is understood that minority shareholders together with new financing interests with U. S. affiliations will be the chief determining factor in the company's future under the new regime.

While no new board of directors has yet been announced it is understood that there is a strong likelihood that D. H. Angus, already a director and large shareholder, will head the new board.

Hugh Malartic Mines Drills Diorite Bands

Diamond drilling has already been started by Hugh Malartic Mines to test ore-making possibilities of the regional diorite bands, The Financial Post is advised. Initial work, under direction of W. R. Bacon, geologist, will explore the southern area of the claims along western border that marks the dividing line between Hugh Malartic and Norbenite.

A system of diorite dikes, which revealed ore values on Vinray, adjoining to west, extends across Hugh's property, through Norbenite Malartic to the immediate southeast and on down through Marbenor Malartic into Clarnor Malartic.

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JACK: My best client in Argentina is furious because the documents for our last shipment arrived nine days after the steamer docked at Buenos Aires — costing him a fine of $270.00, which he's charging back to us.

BILL: Too bad, Jack, but Argentine Customs require documents to reach them within eight days of the ship's arrival, otherwise there's a fine of 2% of the C.I.F. value of the goods. You were a day late.

JACK: I know but we gave the documents to the bank the day we got them from our agent, and they air-mailed them to Argentina at once. I think our man wasted a lot of time, though—he kept telephoning us, one day for certified invoices, a few days later for something else—and that made us late.

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Watch For Further Announcements

20

WAR ASSETS CORPORATION

U.S. Labor Bill Will Be Strict Not 'Vindictive'

"Union-busting" Proposals of Extreme Republicans Won't Reach First Base

Out of the rush of close to 100 antistrike bills before the 80th Congress of the United States, one all-inclusive Republican measure is expected to emerge by March 1. The general feeling is that it will be a stiff check rein on labor excesses but it won't have any of the union-busting features proposed by some of the more reactionary elements of the Republican party.

The Senate will likely end up with a measure similar in many respects to the moderate Ball-Taft-Smith bill which has the approval of the party leadership. The House of Representatives will probably approve something much more restrictive but after the two are merged for enactment as law, the general outline will likely more or less conform to the Ball-Taft-Smith bill.

President Truman, according to his message to Congress, is ready to do something about labor himself. He would outlaw jurisdictional strikes and certain types of secondary boycotts but he isn't ready to go as far as the Republicans. Thus, a veto and a vote to override it, are in the cards.

The Senate Measure

Some of the basic points in the Ball-Taft-Smith bill are:

Organizational strikes: A union must be certified as a bargaining agent before a strike can be called.

Checkoff: Prohibited unless employees request it in writing.

Financial statements: Union must register with Secretary of Labor before they can be certified. Salaries and expenses of officers as well as general union revenues and expenditures to be made public.

Welfare Funds: If controlled by unions, they cannot be supported by employers. (This would rule out John L. Lewis' fund for his United Mine Workers.)

Foremen's unions: Foremen and plant police to lose their bargaining rights under the Wagner Act.

Jurisdictional strikes: Walkouts resulting from union rivalry prohibited.

Secondary boycotts: Nonstriking unions prohibited from boycotting the product of a struck firm. Also banned: The union practice of refusing to handle articles made by rival unions.

Cooling-off period: Strikes illegal if called 60 days before Mediation Board has entered a dispute.

Settlement Machinery: Mediation Board to be created. If mediation fails, a third party to be named to arbitrate, providing both parties agree to it. His findings would be binding.

Violations: Unions may be sued for damages; workers fired.

Penalties: Fines up to $5,000 for individuals; triple damage for unions. Provision also made for use of the injunction.

The House Measure

Basic points in the revised Case bill, which will probably emerge as the House contribution.

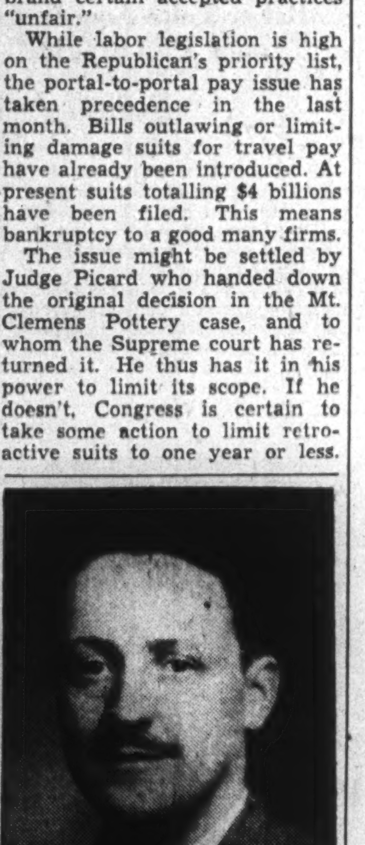
Vital Industries: Strikes in essential industries such as steel, coal, transportation to be handled by special fact-finding commissions appointed by the President. Provides for injunctions by government but not private employers to halt strike.

Jurisdictional disputes: Federal courts to settle these by declaratory judgment. Provision made for damage suits if such strikes occur.

Wagner Act: Amendments to provide a secret strike ballot; brand certain accepted practices "unfair."

While labor legislation is high on the Republican's priority list, the portal-to-portal pay issue has taken precedence in the last month. Bills outlawing or limiting damage suits for travel pay have already been introduced. At present suits totalling $4 billions have been filed. This means bankruptcy to a good many firms.

The issue might be settled by Judge Picard who handed down the original decision in the Mt. Clemens Pottery case, and to whom the Supreme court has returned it. He thus has it in his power to limit its scope. If he doesn't, Congress is certain to take some action to limit retroactive suits to one year or less.



JOHN STUART

is President of the newly incorporated John Stuart Sales Ltd. sales and merchandising organization.

WHAT'S NEW IN BUSINESS

Manufacturers of products that are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field.

Thread Computer

To help engineers compute different thread measurements, a new instrument, a type of slide rule, has been brought out in the U.S. It provides a speedy means of figuring out measurements over wires for many types of screw threads. Big demand is seen for it among designers and tool makers.

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Plasticlear Auto Cleaner

Originally developed for the U.S. Air Corps to preserve the plastic windshield on airplanes, Plasticlear cleaner and polish has found a peacetime use in the automobile field. Manufacturers claim the finish will not collect dust, will not water spot, and will withstand direct rays of sunlight. It is impervious to gasoline and oil.

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"Curtain Master"

No longer need the housewife balance precariously on her best dining-room chair when adjusting the length of her window drapes. A U.S. specialty firm has come out with the "Curtain Master," which facilitates hanging or adjusting drapes from the floor. Loosening two hand screws on the window frame lowers the whole unit to within easy reach. Where the effect of a higher window is desired, the unit can be raised above the actual level of the window top, to any height up to the ceiling.

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Home Pasteurizer

Sears, Roebuck in the U.S. is now offering a home pasteurizing unit. The one-gallon unit weighs 3½ lb., is made of aluminum. An automatic timer stops it, sounding a buzzer when the pasteurization period is complete. Temperature is controlled by thermostats made uniform by conduction of circulation.

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Electric Cord Reel

To keep extra cord from floor lamps, table lamps, telephones, etc., out of the way so it doesn't collect dust or trip the unwary, a firm in the U.S. has produced a spring-actuated reel which holds 15 ft. of cord. One special type can be attached to wall plugs for use with toaster, waffle iron or other table units.

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"Stitch Master"

A sewing machine attachment, priced at $6.95 in the U.S., which will do invisible hemming all visible stitching on one side (of the cloth) is expected on the market soon. The attachment will be made in different models to fit all standard machines.

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Washing Made Easy

Ten lb. of clothes (dry weight) washed, rinsed and damp-dried, and the washing machine itself cleaned and shut off automatically, all inside half an hour and without the housewife's hands ever touching water. That's the claim made for the new Beatty automatic washer. Expected ready for the market about the end of April, it will sell at roughly twice the price of the standard Beatty ringer-washer. Designed to take advantage of both continuous agitation and flotation methods of cleaning, the machine is easy to connect and operate, easy on clothes. It is said to take just three minutes to load and turn it on—then the washing does itself.

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"Ray-Rite" For Notes

Anyone who has ever tried to take notes in poorly lighted lecture halls or darkened theatres will welcome announcement of the "Ray-Rite" clipboard in the U. S. It is a regular clipboard for holding note paper, with a special light across the top, powered by flashlight cells. Another possible use will be by meter-readers, taking notes in dark basements and closets.

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Deafs' Radio Aid

Emerson Radio & Phonograph Corp. has brought out a set, selling for $45 in the U. S., which has separate outlets and separate volume controls for ordinary listeners in a room and for deaf persons. For the hard-of-hearing a tiny earphone is provided, much like the wearable hearing aids. It can also be used by persons with normal hearing, listening to some program the rest of the family doesn't wish to have inflicted upon it.

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Looking Into Muscles

The Philips Electromyograph, recently demonstrated at the opening of Philips Industries Ltd. new Montreal headquarters, enables neurologists to "see" into nerve centres and muscles, giving them a visual picture of internal conditions on a cathode ray tube screen. Developed during the war by the Canadian Government and the Neurological Institute of McGill University, it brings new hope to paralysis victims.

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"DDT-Lite"

An American inventor has applied the old moth-to-a-flame principle in a new insect killer. It consists of a hang-up trap with electric lamp inside. Insects are attracted to the light, killed when they hit the cagelike covering saturated with DDT crystals. Actual contact is not even necessary, owing to the lethal vapors produced by lamp heat from the crystals.

Claude Neon
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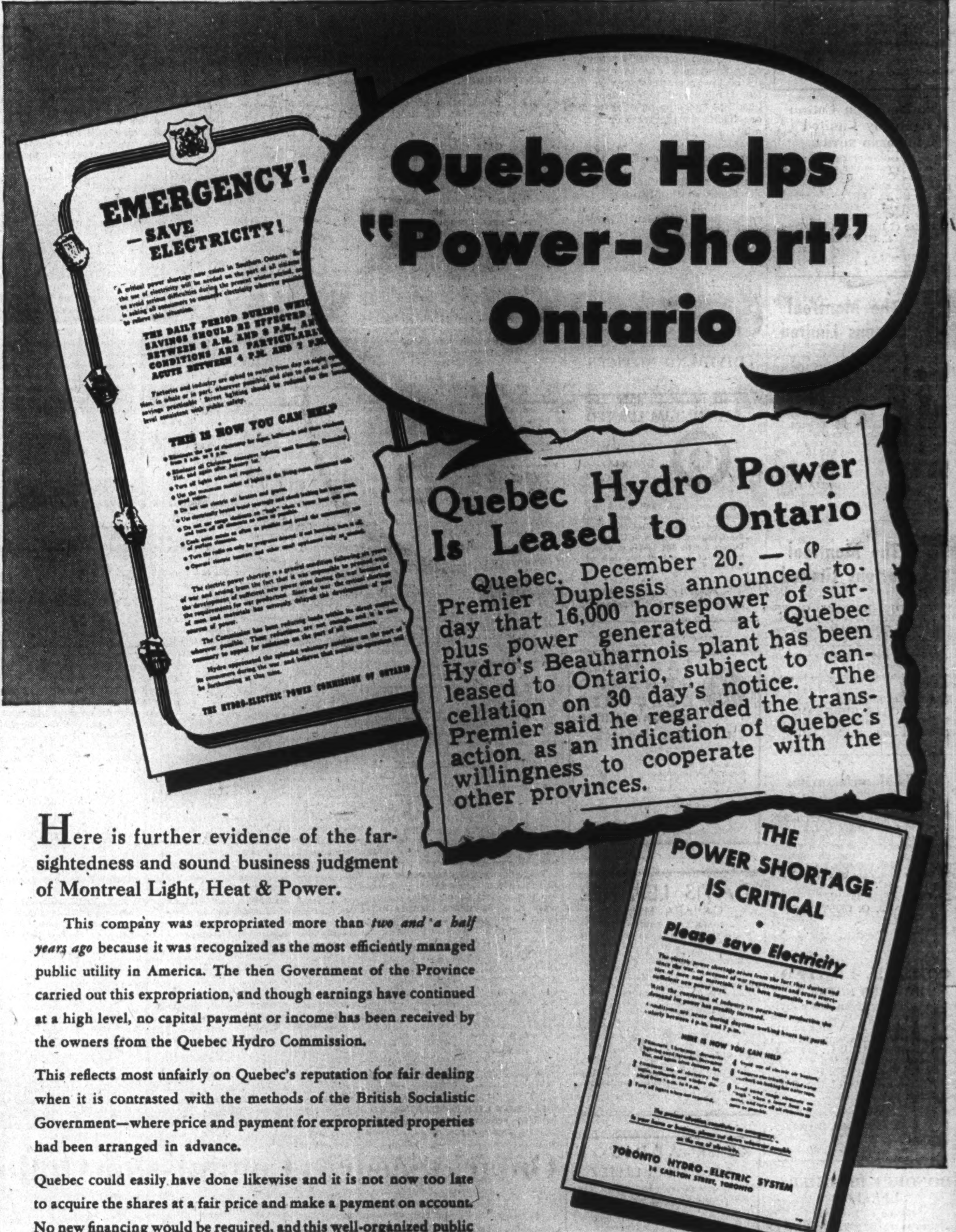
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Quebec Hydro Power Is Leased to Ontario

Quebec, December 20. — CP — Premier Duplessis announced today that 16,000 horsepower of surplus power generated at Quebec Hydro's Beauharnois plant has been leased to Ontario, subject to cancellation on 30 day's notice. The Premier said he regarded the transaction as an indication of Quebec's willingness to cooperate with the other provinces.

Here is further evidence of the far-sightedness and sound business judgment of Montreal Light, Heat & Power.

This company was expropriated more than *two and a half years ago* because it was recognized as the most efficiently managed public utility in America. The then Government of the Province carried out this expropriation, and though earnings have continued at a high level, no capital payment or income has been received by the owners from the Quebec Hydro Commission.

This reflects most unfairly on Quebec's reputation for fair dealing when it is contrasted with the methods of the British Socialistic Government—where price and payment for expropriated properties had been arranged in advance.

Quebec could easily have done likewise and it is not now too late to acquire the shares at a fair price and make a payment on account. No new financing would be required, and this well-organized public utility can be expected to pay for itself over the years.

Published on behalf of 30,000 shareholders of M. L. H. & P. Cons., of whom 22,000 own less than 100 shares each.